



MOSSELBAAI | MOSSSEL BAY | MOSSSELBAYI

MOSSSEL BAY MUNICIPALITY

2012 / 2013 MTREF Annual Budget



TABLE OF CONTENTS

	Page
1. INTRODUCTION	3 - 5
2. MAYORAL SPEECH	6 - 12
3. BUDGET RELATED RESOLUTIONS	13
4. MUNICIPAL MANAGER'S QUALITY CERTIFICATE	14
5. EXECUTIVE SUMMARY	15 - 29
6. ANNUAL BUDGET TABLES & GRAPHS	30 - 63
7. SUPPORTING DOCUMENTATION	64
7.1. Budget process overview	64 - 78
7.2. Alignment between budget and the IDP	78 - 84
7.3. Budget related Policies overview and amendments	85 - 88
7.4. Overview of Budget Assumptions	89 - 92
7.5. Overview of Budget Funding	93 - 100
7.6. Expenditure on allocations and grant programmes	101 - 102
7.7. Transfers and grants made by the municipality	103
7.8. Councillor allowances and Employee benefits	104
- <i>Vacant and New Posts</i>	104 - 106
- <i>Budget schedules</i>	107 - 109
7.9. Monthly targets for revenue, expenditure and cash flow	110 - 116
7.10. Contracts having future budgetary implications	117
7.11. Annual budgets and service delivery agreements	118
- <i>Other external mechanisms</i>	
7.12. Annual budgets and service delivery and budget implementation plans	119 - 123
- <i>Internal Departments</i>	
7.13. Measurable performance objectives	124 - 137
7.14. Legislation compliance status	138
8. ANNEXURES	
8.1. TARIFF LIST	Annexure A
8.2. BUDGET RELATED POLICIES	Annexure B
8.3. DETAILED CAPITAL PLAN	Annexure C

1. INTRODUCTION

1.1. Mossel Bay Municipality Overview

VISION

We strive to be a trend-setting, dynamic Municipality delivering quality services responsive to the demands and challenges of the community and our constitutional mandate, in which all stakeholders can participate in harmony and dignity.

MISSION

Mossel Bay Municipality's mission for the past present and future, is:

- * To render cost-effective and sustainable services to the entire community with diligence and empathy,
- * To create mutual trust and understanding between the municipality and the community,
- * To have a motivated and representative municipal workforce with high ethical standards, which is empowered to render optimal services to the community, and
- * To apply good and transparent corporate governance in order to promote community prosperity.

VALUES

The community is our inspiration and our workforce is our strength in the quest for community development and service delivery. We therefore value:

- * Work pride,
- * Service excellence,
- * Integrity,
- * Loyalty, and
- * Accountability.



1.2. Municipal Budget

DEFINITION OF A MUNICIPAL BUDGET

A municipal budget is generally a projection of future revenues and expenditure. A budget is used to control financial transactions and should also be used as a management and planning tool.

It is also the tool for implementing the service delivery objectives of the Municipality as set out in their Integrated Development Plan (IDP).



A municipal budget also provides for greater transparency, accountability, flexibility, and predictability within the municipality.

A Municipal budget is divided into a Capital and an Operating Budget:

- a) A capital budget is an estimate of the expenses that will be incurred during that financial year to create future benefits, and the sources of finance from which these expenses will be funded. The municipality spends money either to buy fixed assets or to add to the value of an existing fixed asset with a useful life that extends beyond one year. Fixed assets include, inter alia, land and buildings, motor vehicles, furniture, computers, office equipment and machinery.

Example: Land and buildings, pump stations, water purification plants, furniture, etc.

- b) An operating budget is an estimate of the operating revenues which will accrue to the municipality through its normal service delivery and the expenditure that will be incurred through the day to day operations of the municipality over the financial year.

Example: The purchase of a photocopier is a capital expenditure and is budgeted for under the capital budget, but the maintenance and other expenses such as the paper and toner for the photocopier is budgeted for under the operating budget.

OBJECTIVE OF A MUNICIPAL BUDGET

The main objective of a municipal budget is to sensibly allocate realistically expected resources to the municipality's service delivery goals or performance objectives identified as priorities in the approved IDP.

The municipal budget is a tool through which the total level of revenue and expenditure are adequately controlled, public resources are appropriately allocated among sectors and programs, and ensure that departments operate as efficiently as possible within the municipality.

WHERE DOES THE MUNICIPALITY'S REVENUE ORIGINATE FROM?

The Municipality collects revenue from various sources. To achieve sustainable service delivery, we have to ensure sustainable income streams to our services. Property rates are an important source of income, accounting for approximately 13% of the Municipality's revenue.

Other sources include tariffs charged for water and sanitation, electricity and refuse removal management. Mossel bay municipality also has a steady investment portfolio that provides for investment income by means of interest raised. Mossel Bay Municipality also receives external funds from National and Provincial Departments by means of conditional (e.g. Municipal Infrastructure Grant) and unconditional grants (e.g. Equitable Share of National funds).

WHAT DOES THE MUNICIPALITY SPEND ITS REVENUE ON?

The Municipality spends its revenue on the following services:

- Water, electricity, sanitation and refuse removal
- Streets and Storm Water
- Repairs and maintenance to infrastructure
- Youth Development
- Relief for the poor
- Fire services
- Parks
- Libraries
- Sport and recreation facilities
- Upgrading and maintenance of beaches

HOW CAN RESIDENTS BE INVOLVED IN THE BUDGET PROCESS?

The Municipality encourages public participation in the budgetary process. A draft budget can be viewed at the Municipal offices, the official Municipal website as well as all public libraries and is open to comment after it is tabled to Council in March each year.

Once the deadline for comments has been met, amendments are considered and the final budget is approved by Council before the end of May each year. New rates and tariffs are implemented at the start of each new financial year, being 1 July.

WHAT STATE ARE MOSSEL BAY MUNICIPALITY'S FINANCES IN?

Mossel Bay's finances are well managed as it received an unqualified audit report for the fourth consecutive financial year.



2. MAYORAL SPEECH

Mr Speaker, Aldermen, Councillors, Municipal Manager and Directors, the media, members of the public and staff members.

It is my privilege to table Council's Integrated Development Plan for the period 2012/2013 to 2016/2017 as well as the Draft Annual Budget, together with related documents, for the 2012/2013 financial year and the two outer years as prescribed in terms of Section 16 of the Municipal Finance Management Act.

This is of course the first Budget of the present Council's term of office and therefore the first Budget that this Council will be measured by.



I can also say without fear of contradiction that budgeting in the present economic and political climate does not get any easier. In fact, it gets harder as the world economy as well as the South African economy continues to struggle. Demands and expectations about service delivery remain high nevertheless, and are often fuelled by unscrupulous community leaders and their lackeys to further their own personal political ends.

The annual Eskom price increases continue to be way above the inflation rate and contribute to the ever increasing burden on our ratepayers who are confronted by rising costs on many fronts. It also impacts negatively on our ability to keep rates and tariff increases at the levels that we would like to keep them, and still being able to maintain Mossel Bay's hard-won reputation as one of South Africa's leading municipalities.

The debilitating drought from November 2008 to October 2010 that forced the Municipality to embark on several emergency water supply projects has also influenced the 2012/2013 budget as the Municipality has to service the loan that was taken up to partially finance the seawater desalination plant. The cost of operating this plant, albeit at a reduced production rate, is an additional operating cost that we did not have to budget for until the 2011/2012 financial year.

As with the budget for the present financial year our focus in compiling this budget has once again been, as it should be, on good service delivery. In this regard we have been guided by our communities, through the IDP process, as well as our able management team, the latter to guide us on the requirements to maintain and expand our infrastructure to ensure that Mossel Bay is also able to cope with future development.

The needs of the community were prioritised to form the basis for the budget and to match income and resources with the needs of the community to the best of our ability. We have attempted to spread the budget as equitably as possible across the various wards, bearing in mind, however, that a simple comparison cannot be made as certain facilities such as the water and sewage treatment plants, pump stations and electrical sub-stations service many other wards and not just those in which they are located.

Expenditure of course has to match revenue and it was not possible to include all requests or wishes that were tabled during the community participation processes. It is therefore inevitable that there will be some disappointments.

As always, there were many requests and wishes that fell outside the Municipality's Constitutional mandate. In this regard I specifically want to address the issue of what is now called human settlement.

Many people look at municipalities for addressing the housing shortage and are clearly not aware that human settlement is a Constitutional mandate of the National Government.

Mossel Bay's present housing waiting list stands at more than 13 000 families but at the current rate of Government funding, together with the anticipated future growth in the waiting list as people continue to flock to the area, we cannot hope to eradicate this backlog in the next ten to fifteen years unless funding levels increase radically.

Our allocation for top structures for the 2012/2013 financial year is a mere R18,3 million, which allows for 315 top structures at R58 000 each, the new Government allocation per unit with effect from 1 April 2012.

Yet, it is estimated that the misspending by Government amounts to R3,8 billion rand, which includes R196,9 million on tickets to sports events, R166,9 million on unnecessary property rentals, renovations and hotel stays, R2,9 billion on Cuban debt-forgiveness and money to Zimbabwe and R351 million on wasteful expenditure appearing in financial audits.

This could have paid for 70 903 RDP houses at R54 000 each or 60 013 houses at the increased Government subsidy of R58 000 with effect from 1 April 2012.

The sad part is that there are community leaders in Mossel Bay who know this but still try to exploit the situation by trying to blame the Municipality for the housing shortages.

However, Council's objective with the Budget has not changed since I first took office as Executive Mayor in 2006 and I am once again repeating them for your convenience. They are:

- Ensure that every citizen of Mossel Bay shares in the services that this Municipality provides.
- Provide cost-effective and efficient services to the community as a whole.
- Improve the standard of services.
- Provide for the maintenance of existing infrastructure.
- Provide and plan for new infrastructure and new bulk services due to the growing needs of the town. In this regard, we wish to build capacity for long-term growth.
- Protect the poor by subsidising various rates and tariffs from the equitable share paid by the State as well as from rate payers funds, and to
- Maintain financial discipline, thereby ensuring that the finances of this Council are kept on a sound basis.

There is not enough time on this occasion to provide you with every detail of the 2012/2013 Budget, but I would like to highlight the following:

- The total budget for 2012/2013 amounts to R818 million and consists of a Capital Budget of R123,9 million and an Operational Budget of R694,1 million. The Capital Budget amounts to 15 per cent of the total budget and the Operational Budget to 85 per cent. The Operational Budget, however, includes departmental and non-cash transactions to the value of R96,5 million. If these are subtracted the Operational Cash Budget for 2012/2013 amounts to R597,6 million.

The total budget represents a decrease of 0,3 per cent compared to the revised budget of R820 167 996 for the 2011/2012 financial year.

The major allocations in the Capital Budget are as follows:

- Streets and Stormwater : R29,6 million or 23,9 per cent
- Development and Planning : R22,6 million or 18,2 per cent
- Electricity Services : R21,5 million or 17,4 per cent
- Sewerage Services : R13,3 million or 10,7 per cent
- Water Services : R8,9 million or 7,2 per cent
- Corporate Services : R4,5 million or 3,7 per cent

The aforementioned Development and Planning capital budget includes R22,5 million for infrastructure for the Asazani/Izinyoka housing project, while the Corporate Services budget includes R4 million towards the Thusong multi-purpose centre that will be built in Asla Park. The Community Services budget includes R6 million for a new library for KwaNonqaba.

There are too many other capital expenditure projects to mention but I would like to draw your attention to the following

- Tarring of gravel roads in all areas : R12,8 million.
- Upgrading of the Point area : R3 million.
- Minibus Taxi Facilities in Adriaans Avenue : R500 000
- New parking area at First Beach, Dana Bay : R1,4 million
- Rebuilding of Kusweg, Reebok/Tergniet : R1,4 million
- Construction of Sewer Pump Station and Pump Line, Bakke Street, D'Almeida : R2,5 million.
- New Sewer Lines, D'Almeida : R1,1 million
- Sludge Drying Beds at Regional Sewerage Works : R1,3 million
- Bulk Water Pipeline and Pumpstation between Aalwyndal and Bartelsfontein Reservoir : R3.5 million
- Replacement of water network lines, all areas : R1 million
- New 66V transmission line between Ockert Bothma substation and Extension 13 : R4 million.
- New substation at Little Brak River Sewerage Farm : R7 million
- Rehabilitation of D'Almeida Stadium : R1,95 million.

With regard to the Capital Replacement Reserve, I would like to point out that the Reserve is likely to be totally depleted by the end of the 2012/2013 financial year. This will result in a situation whereby all future capital projects will have to be financed by way of external loans.

The Municipality again has to rely heavily on service charges to balance its Operational Revenue Budget. These are:

• Electricity Charges	R248,8 million.
• Water Charges	R66,8 million.
• Sewerage Charges	R32,9 million.
• Refuse Removal Charges	R27 million.
• Other	R28,3 million.

The Municipality will receive grants of R65,2 million in total from the National Government and R47,8 million in total from the Western Cape provincial government towards its Capital as well as Operational Budgets for the 2012/2013 financial year.

The national grants include the Integrated National Electrification Programme Grant of R1 million, Municipal Infrastructural Grants of R17,2 million, an Expanded Public Works Integrated Grant of R2,5 million, Equitable Share Indigent Subsidies in the amount of R42,5 million, Municipal Systems Improvement Grant of R800 000 and Finance Management Grant of R1,25 million.

The provincial funding will include Integrated Housing and Human Settlement and Development Grants of R22,5 million towards the building of infrastructure in the Capital Budget and R18,3 million towards the building of top structures in the Operational Budget. It will also include smaller grants such as R50 000 towards the maintenance of proclaimed roads, R927 000 towards library services, R6 million towards the Construction of the new library in KwaNonqaba and a community development workers operations support grant of R108 000.

Details of the Operational Budget are provided in the budget document. Councillors are urged to peruse the document and consult with Directors if any clarification is required.

The plight of the poor has once again been considered and it is proposed that households classified as indigent as well as households classified as poor both receive a monthly subsidy of R360,27 excluding VAT, on their household accounts, subject to certain conditions with regard to monthly income and water and electricity consumption.

This compares with R345,02, excluding VAT, for indigent households and R260, excluding VAT, for poor households in the 2011/2012 financial year. In this regard I would like to point out that this amounts to an increase of approximately 38,5% in the poor household subsidy.

These households will continue to receive 6 kilolitres of water free and pay no basic charges on water. Indigent households will continue to receive 50 kWh of electricity free per month and poor households 20 kWh per month. They also do not pay for sewerage and refuse services and do not pay property rates on the first R50 000 valuation of their properties.

It should be noted that, while the services of indigent households are subsidised from the equitable share, poor households are subsidised from Council's internal income sources at a cost of R4,1 million for the 2012/2013 financial year. I have reason to believe that Mossel Bay is one of a small minority of municipalities to subsidise services for the poor from own resources.

The total monthly income limit of a husband and wife at which pensioners will become eligible for a discount of fifty per cent on their property rates will be increased from R7 000 per month to R9 000 per month. Pensioners with a total monthly income exceeding R9 000 but not more than R12 000 per month will qualify for a discount of thirty per cent. The upper limit in the latter category has been increased from R10 000 per month.

Pensioners will also for the first time receive a discount in respect of sewerage fees. The discount will amount to 40 per cent for pensioners with a total household income not exceeding R9 000 per month and 30 per cent when their income is more than R9 000 but does not exceed R12 000.

Before submitting the proposed tariffs for the 2012/2013 financial year it is necessary that I mention that in revising the rates, tariffs and other charges for the 2012/2013 Budget and the MTREF (medium term revenue and expenditure framework), labour costs, i.e. wages as agreed with the unions at national level, other input costs of services provided by the Municipality, increases in external costs such as bulk services costs, the maintenance of infrastructure, the need to ensure financial sustainability, local economic conditions and the affordability of services and the Municipality's indigent policy, were some of the factors that influenced the increases proposed to Council.

One of the most important factors which influenced the budget and the tariffs, is the long-term water situation in Mossel Bay. As mentioned, a seawater desalination plant as well as a waste water reclamation plant was built to ensure long-term water security for Mossel Bay. These plants are normally operated at a very high cost which, together with the present low water consumption patterns, has a negative impact on the water tariffs of Council.

The proposed list of tariffs is attached as Annexure A to the budget document and Councillors are urged to peruse this document carefully.

However, I would like to highlight the following:

- * The proposed increase in for electricity for 2012/2013 is 11,03 per cent, which is less than the Eskom tariff increase of 13,5 per cent. It is furthermore recommended that the electricity availability charges in respect of vacant erven are increased by 10 per cent.
- The basic charge in respect of the two-part electricity tariff for domestic consumers is not increased for 2012/2013.
- For the first time the Municipality is going to implement an inclining block tariff with regard to the unit charges for electricity sold to domestic consumers. The first 20 units, and 50 units in respect of indigent households, will still be free of charge but thereafter the unit price increases incrementally in blocks based on monthly consumption. The inclining block tariff is prescribed by the National Electricity Regulator of South Africa, or NERSA, in the tariff guidelines which they are providing.
- All domestic consumers who use an average of more than 400 kilowatt hours (kWh) per month based on the average of the past four months, will be placed on the one-part tariff. It is the consumers using less than 400 kWh per month (based on the average of the past 4 months) which will be placed on the two-part tariff. This, however, excludes indigent and poor household consumers as well as permanent residents for at least 9 months. The permanent residents will have to submit proof of their permanent residency in the form of a sworn affidavit.

- As far as commercial tariffs (single phase) are concerned the consumers using less than 1500 kWh per month will now for the first time also pay a fixed monthly charge with a reduced tariff for unit charges compared to the commercial consumers using more than 1500 kWh per month (based on an average consumption over the past 6 months) who will pay a much higher unit charge but with no basic charge.
- The same conditions will apply for three-phased commercial users, except that the limit is increased to 3000 kWh per month.
- Council's gross profit from electricity is estimated to be R93,3 million for the 2012/2013 financial year, or 33,9 per cent of gross revenue. The estimate gross profit for the new financial year is therefore less than the estimate gross profit of R93 million for the 2011/2012 financial year.

The Municipality's recommended electricity tariffs are still subject to approval by NERSA.

- A sliding scale will again be applicable to water tariffs, with water becoming progressively more expensive the more water is consumed. An average increase of 8 per cent in basic charges and usage tariffs is proposed.

At the bottom end of the scale, in the case of household consumption, an increase from R5, plus VAT, to R5,40, plus VAT, per kilolitre for consumption of up to 20 kilolitres per month, is proposed. At the upper end of the scale, for consumption of 80 kilolitres or more per month, it is proposed that the tariff is increased from R24, plus VAT, to R25,92, plus VAT, per kilolitre per month. The proposed increase on the basic charges is 8 per cent to R113,73, plus VAT, per month.

All household consumers will, however, continue to receive 6 kilolitres of free water per month unless the level of the Wolwedans Dam drops to less than 20 per cent when the free allocation will fall away automatically.

A net profit of R1,7 million on water sales is envisaged for the 2012/2013 financial year. The water account is a trading account and it is supposed to run at a profit. However, the water consumption trends are still very volatile and it was therefore very difficult to project future water consumption patterns. There is therefore a risk as far as income for the 2012/2013 budget for this service is concerned.

- Refuse removal is categorised as an economic service, which means that it is supposed to pay for itself from service fees or even making a small profit. It is recommended that the refuse removal tariffs are increased by 8 per cent. This increase will generate a net surplus of R7 million for the 2012/2013 financial year, compared to the estimated surplus of R7,4 million for 2011/2012.
- The sewerage service is classified as an economic service. This service must therefore be financed fully through its own tariffs and is supposed to break even or even show a profit. No tariff increase was implemented on sewerage for the past few years and an increase is not recommended for the 2012/2013 financial year either.
- Property rates are levied in terms of the Property Rates Act and the income generated from this source is used to balance the budget. Property rates do not buy any service from Council as the case is with other service tariffs.

An increase of 8 per cent, based on the new general valuations that will be implemented with effect from 1 July 2012, is recommended.

The same exemption as for 2012/2013, namely the first R50 000 of the value of a residential property is also recommended for the new financial year.

However, the recommended increases in tariffs do not generate enough income to balance this budget. It will therefore be necessary to supplement the budget with an amount of R7,5 million from the accumulated surplus.

It is very difficult to determine what the average effect of the increases on households will be, mainly due to the fluctuations in the valuations of properties but a calculation was done to determine the effect on an average household in the mid- to high-income groups with an average monthly water consumption of 15 kilolitres and electricity consumption of 600 units per month. Certain assumptions were made as far as the valuation of the property is concerned, which will of course differ from area to area.

It was estimated that the effect of the proposed tariff increases on a normal household will be 9,93 per cent per annum. However, this includes the electricity increase as determined by NERSA. If electricity is excluded from this calculation, the effect in respect of property rates and the tariff increases in respect of those services that Council controls, namely water, sewerage and refuse removal, will be 6,4 per cent per annum. The cost of electricity therefore has a significant impact on our ratepayers.

I would like to conclude by thanking Councillors, Management and all other officials who were involved in the IDP and budget process thus far. I know that a lot of hard work, particularly by the Director of Financial Services and his team went into it and I want to assure all of you of my utmost appreciation. They have also been under instruction and pressure to sharpen their pencils more than ever before.

This budget is of course not the final product. There are some more processes to follow and it is possible that some adjustments may have to be made to arrive at a final budget for tabling in Council. I am, however, confident that the final budget and tariff list will not be very different from the draft tabled today and that we will be able to enter the 2012/2013 financial year with a budget that will enable continued good service delivery.

Thank you.

ALDERLADY M FERREIRA
EXECUTIVE MAYOR



3. BUDGET RELATED RESOLUTIONS

The MFMA stipulates that the Mayor must table the annual budget at a council meeting at least 90 days before the start of the budget year and the Mayor must take all reasonable steps to ensure that the municipality approves its annual budget before the start of the budget year.

The following resolutions were taken by Council with the approval of the 2012/13 Budget on the 3rd of May 2012:

1. That Council approves the new 5 year Integrated Development Plan (IDP) for the period of 2012-2017.
2. That Council approves the Annual Budget of the Municipality for the financial year 2012/13 and indicative for the two projected outer years, 2013/14 and 2014/15, and the multi-year and single year capital appropriations as set out in the following schedules, after consideration of all public comments:
 - 2.1. Budgeted Financial Performance (revenue and expenditure by standard classification) reflected in Section 6.2.
 - 2.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as reflected in Section 6.3.
 - 2.3. Multi-year and single year capital appropriations by municipal vote and standard classification and associated funding by source as reflected in Section 6.5.
 - 2.4. Capital detailed budget reflected in Annexure C.
3. That Council approves the property rates reflected in the 2012/13 Tariff list (Annexure A) and any other municipal tax reflected in the 2012/13 Tariff list are imposed for the budget year 2012/13.
4. That Council approves the tariffs and charges, subsidies and discounts as reflected in the 2012/13 Tariff list (Annexure A) for the budget year 2012/13.
5. That Council approves the measurable performance objectives for revenue from each source and for each vote reflected in Section 7.13 of this document for the budget year 2012/13.
6. That Council approves the amended budget related policies reflected in Annexure B for the budget year 2012/13.
7. That Council approves the filling of the vacant and new posts as identified by the Executive Management and as shown in Section 7.8 of this document subject to the public participation process.
8. That all the above-mentioned documentation be amended to include all the amendments approved by Council from the public/departmental comments/objections.

4. MUNICIPAL MANAGER'S QUALITY CERTIFICATE

I, Dr M.R. Gratz, municipal manager of Mossel Bay Municipality, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

DR MR GRATZ

MUNICIPAL MANAGER OF MOSSEL BAY MUNICIPALITY (WC043)

SIGNATURE



5. EXECUTIVE SUMMARY

The main objective of a municipal budget is to allocate realistically expected resources to the service delivery goals or performance objectives identified as priorities in the approved Integrated Development Plan.

The budget was made possible through continuous consultation with the local community, the relevant government departments and the internal departments of the Municipality to ensure that the priorities are properly aligned and addressed.

The Medium Term Budget Policy Statement 2011 notes that in recent months the domestic economy has lost momentum as a result of the disruption to world economic activity following the Japanese Tsunami, domestic strike activity and moderating household consumption. Real GDP is now expected to grow by 3.1 % in 2011.

When framing the budget, this had a direct impact on the budget as the trends in income growth statistics are still very low, indigent and poor households are growing and property markets not re-acting to the low interest rates.

Consequently, municipal revenues and cash flows are expected to remain under pressure in 2012/13 and municipalities are encouraged by National Treasury to adopt a conservative approach when projecting their expected revenues and cash receipts.

Creating decent employment opportunities remains a national priority.

Additional allocations to local government of R5 billion over the 2012/13 MTEF, of which R2.2 billion is added to the local government equitable share and R2.8 billion to local government conditional grants. Most of these funds will however only be made available in 2013/14 and 2014/15.

National Treasury requires municipalities to continue to explore appropriate ways of structuring the tariffs for utility services to encourage more efficient use of these services and to generate resources required for maintenance, renewal and expansion of infrastructure. They also encourage municipalities to keep increases in rates, tariffs and other charges at levels that reflect appropriate balance between the interest of poor households, other customers and ensuring the financial sustainability of the municipality. For this reason municipalities must justify all increases in excess of the 6 per cent upper boundary of the South African Bank's inflation target.

National Treasury advises that priority ought to be given to:

- * Ensuring that drinking water and waste water management meets the required quality standards at all times,
- * Protecting the poor,
- * Supporting meaningful Local economic development initiatives that foster micro and small business opportunities and job creation,
- * Securing the health of their asset base by increasing spending on repairs and maintenance,
- * Expediting spending on capital projects that are funded by conditional grants.

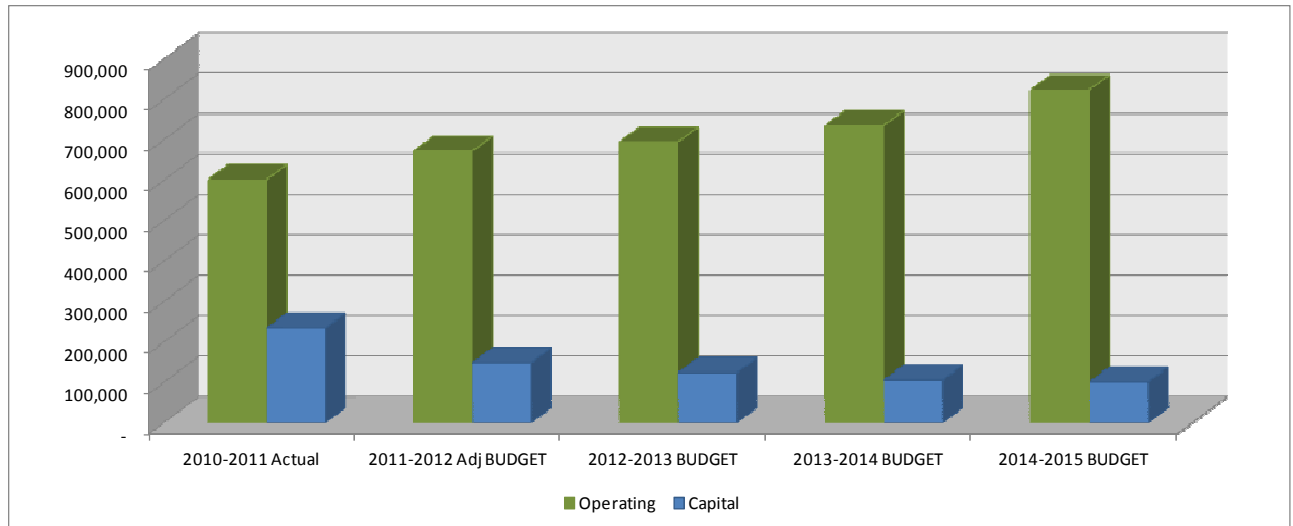
National Treasury also states that municipalities should control unnecessary spending on nice-to-have items and non-essential activities. Some examples of non-priority expenditure is,

- * excessive sponsorships, e.g. of music festivals and sporting events
- * public relations projects and activities not centred on actual service delivery (e.g. celebrations; gala dinners)
- * LED projects that serve the narrow interests of only a small number of beneficiaries
- * excessive catering for meetings and other events
- * arranging workshops and events at expensive private venues (as opposed to using the municipality's own venues)
- * excessive printing costs instead of maximising the use of the municipality's website
- * excessive luxurious office accommodation and office furnishings
- * foreign travel by mayors, councillors and officials, particularly 'study tours'
- * excessive councillor and staff perks such as luxurious mayoral cars and houses, notebooks, IPADS and cell-phone allowances; travel and subsistence allowances
- * excessive staff in the office of the mayor – particularly the appointment of political 'advisors' and 'spokespersons'
- * all donations to individuals that are not made in terms of the municipality's indigent policy or a bursary scheme for instance donations to cover funeral costs
- * costs associated with long-standing staff suspensions and the legal costs associated with not following due process when suspending or dismissing staff, as well as payment of severance packages or 'golden handshakes'
- * the use of consultants to perform routine management tasks, and the payment of excessive fees to consultants

FINANCIAL SUMMARY ON 2012/13 MTREF BUDGET

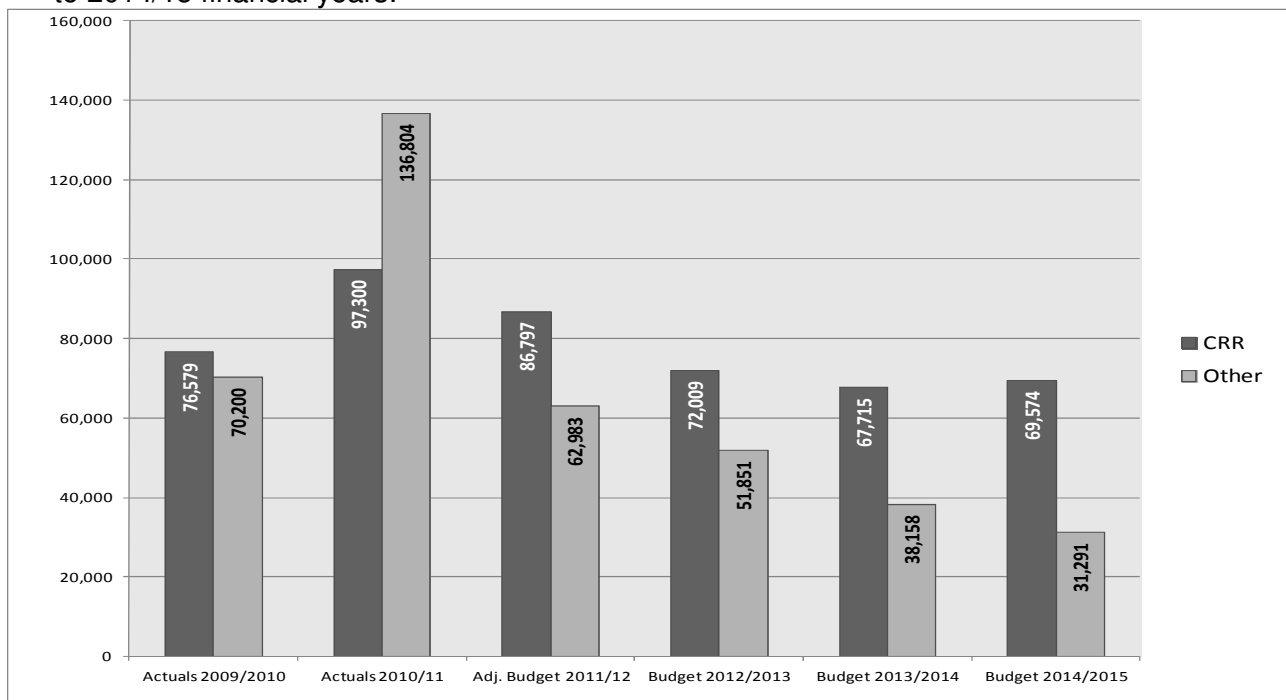
The total 2012/13 budget amounts to R818 002 667. This consists of a capital budget of R123 860 770 or 15% of the total budget and an operating budget of R694 141 897 or 85% of the total budget. The operational budget, however, includes departmental and non-cash transactions to the value of R96 510 571. If this is subtracted the operational cash budget for 2012/2013 is decreased to R597 631 326.

The following graph shows the operating and capital budget separately for the 2010/2011 (actuals) financial year and the budgeted figures for 2011/2012 to 2014/2015 financial years:



Capital Expenditure Budget:

The following graph shows the capital budget (actual expenditure) for the 2009/10 and 2010/11 financial years as well as the revised budget for 2011/12 and proposed budgets for the 2012/13 to 2014/15 financial years:



The total capital budget for 2012/2013 shows a reduction in the total budgeted amount compared to the revised capital budget for 2011/2012. This is mainly due to the additional external funding sources which were received during the 2011/2012 year and the declining Capital Replacement Reserve of the Municipality.

The detailed capital projects are shown in annexure C of this document. Also attached to this annexure is a summary showing the total amount per vote and per ward. It is clear from this summary that the capital expenditure for 2012/13 will be allocated mainly to Civil Services (R51,8 million), Electrical Services (R21,5 million), Community Services (R20,6 million) and Development, Planning and Human Settlements (R22,6 million).

The biggest portion of the capital budget in respect of Civil Services is focused on streets and stormwater (R29,6 million), sewerage (R13,3 million) and water (R8,9 million). The detail of all these projects can be seen on the abovementioned annexure.

Financing of Capital Budget

The following table gives a breakdown of the sources of finance of the 3-year capital budget from 2012/13 to 2014/15:

Funding Source	2012/13	2013/14	2014/15
Capital Replacement Reserve (Internal)	R 72 009 370	R 67 714 550	R 69 574 100
Municipal Infrastructure Grant	R 17 156 000	R 18 098 000	R 19 144 000
Extended Public Works Programme	R 2 461 000	NIL	NIL
Recoverable Developer	R 2 050 000	R 2 400 000	R 2 500 000
Department of Energy	R 1 000 000	R 1 000 000	R 7 500 000
External Loans	R 699 000	R 175 000	R 485 000
Department of Human Settlements	R 22 465 400	R 16 470 000	R 1 646 516
Community Development Workers	R 20 000	R 15 000	R 15 000
Library Subsidy (Conditional Grant)	R 6 000 000	NIL	NIL
TOTAL	R123 860 770	R105 872 550	R100 864 616

From the above it is clear that the main source of funding will be internal funds (Capital Replacement Reserve – R72 million) and thereafter the external funding sources of which M.I.G. funding (R17,2 million) and the Department of Human Settlements (R22,5 million) are the largest external sources.

During the meetings of the Budget Steering Committee certain projections were tabled on the future capital budgets and the financial sustainability of the Capital Replacement Reserve. Given the amendments from the revised budget at the end of February 2011 and the draft capital budget which is tabled for the next 3 financial years, it is important to revise these calculations periodically.

National Treasury also prescribes that each municipality needs to develop a policy providing for an appropriate level of cash-backing in its capital replacement reserve for the replacement of assets. Mossel Bay Municipality's Funding and Reserves Policy can be found in Annexure B to this document.

The following table analyses the projected transactions of the C.R.R. from 01 July 2011 to 30 June 2015, based on the proposed capital and operational budgets attached hereto:

CAPITAL REPLACEMENT RESERVE

BALANCE AS AT 30 JUNE 2011: R 54 623 570

2011/12	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 38 284 361
- Land Sales	R 10 526 000
- Bulk Services Contributions	R 4 000 000
FINANCING CAPITAL BUDGET (CRR)	(R 89 908 350)

BALANCE AS AT 30 JUNE 2012: R 17 525 581

2012/13	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 47 587 601
- Land Sales	R 4 000 000
- Bulk Services Contributions	R 2 000 000
FINANCING CAPITAL BUDGET (CRR)	(R 72 009 370)

BALANCE AS AT 30 JUNE 2013: (R 896 188)

2013/14	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 52 407 441
- Land Sales	R 4 800 000
- Bulk Services Contributions	R 2 200 000
FINANCING CAPITAL BUDGET (CRR)	(R 67 714 550)

BALANCE AS AT 30 JUNE 2014: (R 9 203 297)

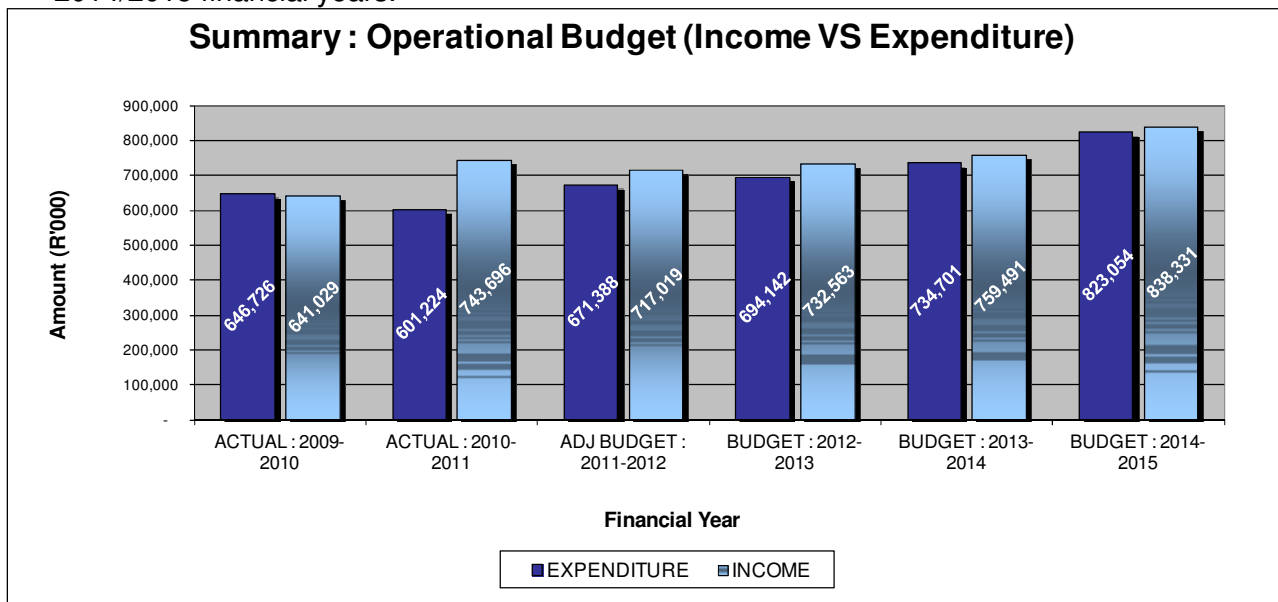
2014/15	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 55 570 995
- Land Sales	R 4 800 000
- Bulk Services Contributions	R 2 200 000
FINANCING CAPITAL BUDGET (CRR)	(R 69 574 100)

BALANCE AS AT 30 JUNE 2015: (R 16 206 402)

It is thus clear from the above that the present levels of financing of capital budgets from the C.R.R. will be impossible to sustain over the longer term. Based on the abovementioned projections of contributions to the C.R.R. and capital budgets the C.R.R. funds will be totally depleted by the end of the 2012/2013 financial year. This will result in a situation whereby all future capital projects will have to be financed by way of external loans.

Operating Expenditure Budget:

The following graph shows the operating budget income and expenditure separately for the 2009/2010 and 2010/2011 (actuals) financial year and the budgeted figures for 2011/2012 to 2014/2015 financial years.



The total operating budget for 2012/2013 amounts to R694 141 897, which is 3,4% more than the previous year's revised budget. There are certain expenditure items in 2012/2013 budget to the value of R96 510 571, which represents non-cash and internal departmental charges. If those items are subtracted from the total operating figure, the cash budget for 2012/2013 will amount to R597 631 326.

The following table gives a breakdown per category of expenditure of the **cash budget** for the 2012/2013 financial year:

Category of Expenditure	Amount	% of Total Exp Budget	% of Total Exp Budget (2011/12)
Employee-related Costs	R 178 421 336	29.9%	29.5%
Less Employee Costs Capitalised	(R 1 180 000)	-0.2%	-0.3%
Remuneration of Councillors	R 8 428 321	1.4%	1.5%
Collection Costs	R 6 600 000	1.1%	1.0%
General Expenses – Bulk Purchases	R 194 696 370	32.6%	30.0%
General Expenses – Contracted Services	R 30 884 281	5.2%	5.1%
General Expenses – Grants & Subsidies	R 955 000	0.2%	0.2%
General Expenses - Other	R 79 476 639	13.3%	17.0%
Repairs & Maintenance – Municipal Assets	R 42 892 530	7.2%	8.0%
Depreciation – Property, Plant & Equipm.	R 47 573 602	8.0%	6.7%
Depreciation – Leased PPE	R 1 116 655	0.2%	0.2%
Amortisation – Intangible Assets	R 13 999	0.0%	0.0%
Interest Expense – External Borrowings	R 2 949 092	0.5%	0.3%
Contributions to/from Provisions & Reserves	R 5 314 500	0.9%	0.7%
Interdepartmental Charges and Recoveries	(R 511 000)	-0.1%	-0.1%
TOTAL	R 597 631 326	100.0%	100.0%

The following deductions can be made on some of these figures:

- * The employee related costs are on the national norm of 30%. I also refer you to section 7.8, which shows a list of vacant and new posts, which had already been included in the expenditure figures for 2012/2013 draft budget. The expenditure in respect of some of the posts was only calculated for a part of the year, which means that these posts can only be filled from these dates in the new financial year.
- * The repairs and maintenance cost is only 7.2% of the total expenditure. It must, however, be kept in mind that a big portion of actual maintenance costs is already included in the employee cost category.

The total expenditure for the 2012/2013 financial year also includes the following expenses which Council needs to consider with the approval of the budget:

- * Vacant posts (see Section 7.8)
The total value of R6 675 323 is included in the expenditure with regards to vacant posts which must be filled. As you can see from the annexure, some of these posts will only be filled at a later date to alleviate the burden on the operational budget.
- * New posts (see Section 7.8)
These are mostly new posts which are of the highest priority. These posts are necessary to ensure the effective and efficient delivery of these services which it is meant for. As you can see on the annexure, the biggest portion of the new posts is for the new municipal court which must be established. The total value of these posts is R3 127 027.
- * The budget also makes provision for the additional rent with regards to the new offices where specific departments will be moved to. The approved tender was for the Plaza Aquada building and the following table shows the breakdown of rental to be paid for the various departments.

	Price per m ²	Total m ² that will be utilised	Rent per month	Total Rent for year 1	Current rent payable(E X VAT)	Nett Increase or Decrease
Traffic						
<u>Year 1</u>	R 36.48	1330	R 48,518	R 582,221	255,420	R 326,801
Traffic that will be in Plaza Aquada						
<u>Year 1</u>	R 31.35	70	R 2,195	R 26,334	0	R 26,334
SCM						
<u>Year 1</u>	R 31.35	320	R 10,032	R 120,384	0	R 120,384
Strategic Support Unit						
<u>Year 1</u>	R 31.35	30	R 941	R 11,286	0	R 11,286
Parks and Recreation						
<u>Year 1</u>	R 31.35	180	R 5,643	R 67,716	114,543	-R 46,827
Waste and Pollution						
<u>Year 1</u>	R 31.35	110	R 3,449	R 41,382	114,543	-R 73,161
Director: Community Services						
<u>Year 1</u>	R 31.35	72	R 2,257	R 27,086	0	R 27,086
ICT						
<u>Year 1</u>	R 31.35	6.25	R 196	R 2,351	0	R 2,351

TOTALS FOR YEAR 1

R 878,760

R 484,506

R 394,254

The above figures only cover the rent for the first year. The final figure will however depend on the total space utilized per department. It is envisaged that the traffic department will use less offices as provided for in the tender and as shown above.

Based on the above assumptions the total additional costs over a period of 9 years and 11 months will be R5 475 097 (VAT excluded). This is also based on the further assumption that the current contracts would also have escalated with 8%.

- * Also included in the expenditure totals are the annual cost of the desalination plant and reverse osmosis plant (Cleaning effluent water). The total cost provided for these projects are as follows:

Desalination Plant: R4 559 150

Reverse Osmosis: R2 933 268

Electricity consumption: ±R1 500 000

You are also referred to section 6.11 (Operating Budget per Item) of this document where the total income and expenditure per individual item is shown.

Operating Revenue Budget:

The operating revenue budget amounts to R732 562 582. This includes capital transfers and other non-cash and departmental income to the value of R134 914 126. If these items are excluded the total **operating cash revenue** amounts to R597 648 456. The table below gives a list of all sources of revenue:

Source of Revenue	Amount	% of Total Rev Budget	% of Total Rev Budget (2011/12)
Property Rates	R 78 733 621	13.2%	12.6%
Penalties Imposed and Collection Charges	R 2 000 000	0.3%	0.3%
Service Charges	R 403 801 980	67.6%	63.9%
Rent of Facilities and Equipment	R 4 629 044	0.8%	0.7%
Interest Earned – External Investments	R 14 104 320	2.4%	1.9%
Interest Earned – Outstanding Debtors	R 291 400	0.0%	0.1%
Fines	R 6 060 750	1.0%	0.9%
Licences and Permits	R 4 840 500	0.8%	0.8%
Grants & Subsidies Received - Operating	R 68 011 723	11.4%	15.3%
Other Revenue	R 15 175 118	2.5%	3.5%
TOTAL	R 597 648 456	100.0%	100.0%

It is clear from the above table that Mossel Bay Municipality is depending a lot on service charges to balance its budget. The service charges, excluding departmental and other internal charges, consist mainly of the following:

- Electricity Charges R248,8 million.
- Water Charges R66,8 million.
- Sewerage Charges R32,9 million.
- Refuse Removal Charges R27 million.
- Other R28,3 million.

EXTERNAL FUNDING SOURCES

The following sources of funding were made available from National and Provincial Government for the 2012/13 financial year:

National Funding:

<i>Grant</i>	<i>CAPITAL budget funding</i>	<i>OPERATING budget funding</i>
Integrated National Electrification Programme Grant	R 1 000 000	
Municipal Infrastructure Grant	R 17 156 000	
Expanded Public Works Programme Incentive Grant	R 2 461 000	
Finance Management Grant		R 1 250 000
Municipal Systems Improvement Grant		R 800 000
Contribution toward Council Remuneration & Ward committees		R 3 318 000
Equitable Share Indigent Subs		R 39 177 000
TOTAL	R 20 617 000	R 44 545 000

Provincial Funding:

<i>Grant</i>	<i>CAPITAL budget funding</i>	<i>OPERATING budget funding</i>
Integrated Housing and Human Settlement & Development Grant	R22 465 400	R18 251 600
Maintenance of Proclaimed Roads		R 50 000
Library Services	R6 000 000	R 927 000
Community Development Worker Operations Support Grant	R20 000	R 88 000
TOTAL	R 28 485 400	R 19 316 600

PROPOSED RATES AND TARIFFS FOR 2012/13

Attached hereto is a list of all the tariffs of the Council (Annexure A). The annexure shows the tariffs for the present financial year as well as the tariffs and proposed increases for the 2012/2013 financial year. Councillors are requested to peruse through this tariff listing and thoroughly debate the proposed increases to those tariffs.

The following tariff increases are provided for to balance the budget for 2012/2013 financial year.

Electricity Tariffs:

The draft operational budget for the 2012/2013 financial year makes provision for the following electricity tariff increases:

- * Eskom tariff increase in respect of purchase of electricity : 13,5%
- * Municipal electricity tariff increases on sales : 11,03%

The following is also important with regards to the abovementioned tariff increases:

- The basic charge in respect of the two-part tariff for domestic consumers is not increase for 2012/2013.
- For the first time the municipality is going to implement an inclining block tariff with regards to the unit charges for electricity sold to domestic consumers. The first 20 units (50 units in respect of indigent households) will still be free of charge but thereafter the unit price incrementally increase in the blocks as shown on the tariff list. The inclining block tariff is prescribed by NERSA in the tariff guidelines which they are providing.
- All domestic consumers who use an average of more that 400kwh per month based on the average of the past 4 months, will be placed on the one-part tariff. It is only the consumers using less than 400kwh per month (based on the average of the past 4 months) which will be placed on the two-part tariff. This, however excludes indigent and poor household consumers as well as permanent inhabitants for at least 9 months. The latter to be confirmed with a sworn affidavit.
- As far as commercial tariffs (single phase) are concerned the consumers using less than 1500kwh per month will now for the first time also pay a fixed monthly charge with a reduced tariff for unit charges compared to the commercial consumers using more than 1500kwh per month (based on an average consumption over the past 6 months) who will pay a much higher unit charge but with no basic charge.
- The same conditions will apply for three phased commercial users except that the limit is increased to 3000kwh per month.
- Availability charges for vacant erven increased by 10% per annum.

The following gives a summary of the revenue and expenditure in respect of the electricity account:

	<i>Budget 2011/12</i>	<i>Budget 2012/13</i>
Total Sales of Electricity	R250 016 969	R275 388 385
Total Purchases of Electricity	R157 017 216	R182 096 370
GROSS PROFIT	R 92 999 753	R 93 292 015
Percentage Gross Profit	37.2%	33,9%

It is thus clear from the above that there is a considerable reduction in the gross profit on electricity sales which illustrates that the dependency on electricity tariffs to balance the budget with these tariffs have reduced. This in itself is a function of the high increases in the electricity tariffs over the past few years which lead to a consumer resistance on the usage of electricity. This is also reflected in the number of units sold in the past financial year.

Lastly, it must be stressed that the electricity tariffs of Council still need to be approved by NERSA. Any changes on these tariffs can have a major effect on the income of Council which will force Council to reconsider the budget and other tariff increases.

Water Tariffs:

It is recommended that the water tariffs, i.e. the basic charges and usage tariffs be increased with 8% per annum. Council is also referred to the tariffs in periods of drought which is also shown in the annexures.

Council's attention is specifically drawn to the fact that there are changes to some of the consumption blocks provided for in these tariffs. These changes however are to the benefit of the specific consumer category but may have a negative impact on the water income.

The revenue and expenditure for the water account is as follows:

	<i>Budget 2011/12</i>	<i>Budget 2012/13</i>
Total Revenue	R86 913 491	R101 476 664
Total Expenditure	R 91 576 769	R 99 778 258
NETT PROFIT / (LOSS)	(R 4 663 278)	R 1 698 406

As can be seen from the above figures, the water department changed from a loss in 2011/12 to a profit of R1 698 406 in the 2012/13 budget. The relative small profit on the water service can mainly be attributed to the following expenditures which had been budgeted for the water budget.:

- Purchases of water R12 600 000
- Cost of remaining desalination plant and reverse osmosis plant (including electricity) approximately R 9 000 000

This service is regarded as a trading service and is supposed to run on a profit. Water consumption trend is still very volatile and it was therefore very difficult to project future water consumption patterns. This is a risk as far as income in the 2012/13 budget is concerned.

Refuse Removal Tariffs:

The service is categorised as an economic service, which means that it is supposed to pay for itself from service fees or even making a small profit.

It is recommended that the refuse removal tariffs are increased by 8%.

The revenue and expenditure of this service can be summarised as follows:

	<i>Budget 2011/12</i>	<i>Budget 2012/13</i>
Revenue	R42 543 753	R47 645 396
Expenditure	R35 135 320	R40 561 683
NETT SURPLUS	R 7 408 433	R 7 083 713

This nett surplus shows a small decrease from 2011/12 to 2012/2013.

Sewerage Fees:

The sewerage service is classified as an economic service. This service must be fully financed by its own tariffs and can also generate some profits to subsidize property rates. As this service still operates on a big surplus, it is recommended not to increase the sewerage tariffs for 2012/13 financial year.

The following is a summary of the income and expenditure of the sewerage service:

	<i>Budget 2011/12</i>	<i>Budget 2012/13</i>
Revenue	R71 069 020	R71 976 631
Expenditure	R54 133 039	R61 842 432
NETT SURPLUS	R16 935 981	R10 134 199

As can be seen from the above figures, this service still generates a considerable surplus and therefore, no increase in tariffs is recommended for this service.

Property Rates:

Property rates are levied in terms of the property rates act and the income generated from this service is used to balance the budget. It does not pay for a specific service. The rates policy which must also be approved by Council is also attached hereto. This policy defines and recommends the rates tariff structure which is as follows:

	<u>Ratio to base tariff</u>
Industrial/Commercial tariff – Base tariff	- 100%
Accommodation Establishments	- 70%
Agricultural used as businesses/industrial	- 70%
Public Service Infrastructure	- 70%
Residential	- 50%
Vleesbaai	- 15%
Agricultural	- 12,5%
Public benefit Organizations	- 12,5%

A new general valuation of all properties in Mossel Bay has been done and this general valuation will be implemented with effect from 1 July 2012. The valuation of properties shows that the property valuations in some areas shows a decrease whilst in other areas it shows an increase in property valuations.

It is therefore very difficult to determine the impact of any tariff increase on the rates account of a category of property owners. Every property needs to be evaluated on its own to determine the impact of the increase. It is however recommended that the property rates tariff as calculated on the new general valuations, be increased with 8%.

The actual property rates tariffs are shown in the tariff list attached hereto. Due to the general valuation the increase in rates account will differ from property to property.

It is further recommended that, apart from the first R15 000 valuation of any residential property which is exempted in term of the property rates act, a rebate be granted on the balance of the valuation up to a maximum of R35 000. The owner of a residential property will therefore not pay any property rates on the first R50 000 of the value of its property. This is the same as in the present financial year.

Finally it must be mentioned that the recommended increases in tariffs do not generate enough income to balance the budget. The shortfall of R7,5 million needs to be contributed from the accumulated surplus. It is however a reduction in the surplus funding needed compared to previous financial years.

Effect of increases on households:

It is very difficult to determine what the average effect of the increases on households will be, mainly due to the fluctuations in the valuations of properties as per the new general valuation.

A calculation was done to determine the effect on an average household in the mid to high income groups with an average monthly water consumption of 15 kilolitres and electricity consumption of 600 units per month. Certain assumptions were made as far as the valuation of the property is concerned. As previously mentioned, this will vary between the different areas in town.

It was however found that the effect of the proposed tariff increases on a normal household will be 9,93% per annum, including the electricity increase as determined by NERSA. If electricity is excluded from this calculation, the effect in respect of the tariff increases which Council controls, i.e. water, property rates, sewerage and refuse removal will only be 6,45% per annum.

Subsidies and Rebates:

Specific attention was also given to the plight of the poor people. With this in mind the following subsidies and rebates are recommended to Council.

SUBSIDIES TO INDIGENT AND POOR HOUSEHOLDS:

	<u>Subsidies 2011/12</u>	<u>Subsidies 2012/13</u>
Indigent Household	R345,02 + VAT	R360,27 + VAT
Poor Household	R260,00 + VAT	R360,27 + VAT

It is clear from the above that the subsidies for poor households are increased to be the same as for indigent households. The criteria on which the subsidies are based is described in the tariff list under paragraph 6. The criteria for indigent households are, inter alia, based on the income of that household which is twice the monthly State Old Age pension, It is recommended that income criteria for poor households be increased from R4 000 to R4 600 per month.

These households will then receive the following services free of charge.

Electricity : indigent 50kwh, poor households 20kwh per month.
 Water : No basic charges, 6 kilolitres free per month.
 Sewerage : No charges
 Refuse : No charges
 Property Rates: The first R50 000 valuation free of charge.

The abovementioned subsidies will be financed as follows:

Indigent Subsidies- R33,5 million from equitable share.
 Poor Households - R 4,1 million from Council's internal income sources.

These households will therefore only pay for electricity consumption more than 50kwh or 20kwh and water consumption more than 6 kl and property rates when valuations exceeds R50 000.

SUBSIDY/DISCOUNTS TO PENSIONERS

Property Rates

The discount on property rates in respect of pensioners will be allocated based on the conditions as per paragraph 7 of the tariff list. It is however, recommended that the limit with regards to the total income of households is increased as follows, for:

-50% discount on property rates: Income limit is increased from R7 000 to R9 000 per month.
 -30% discount on property rates: The income limit is increased from R10 000 to R12 000 per month.

Sewerage Fees

It is also recommended for the first time, that a discount be allowed for pensioners in respect of the sewerage fees. The same criteria for qualification will apply as in the case of property rates and discounts are recommended as follows:

- Pensioners with an income of not exceeding R9 000 per month: 40% discount on sewerage fees.
- Pensioners with an income not exceeding R12 000 per month, a discount of 30% on sewerage fees.

It is thus clear from the above that this budget of Council specifically tries to help the poor people and pensioners in the Town that cannot afford the higher municipal tariffs.

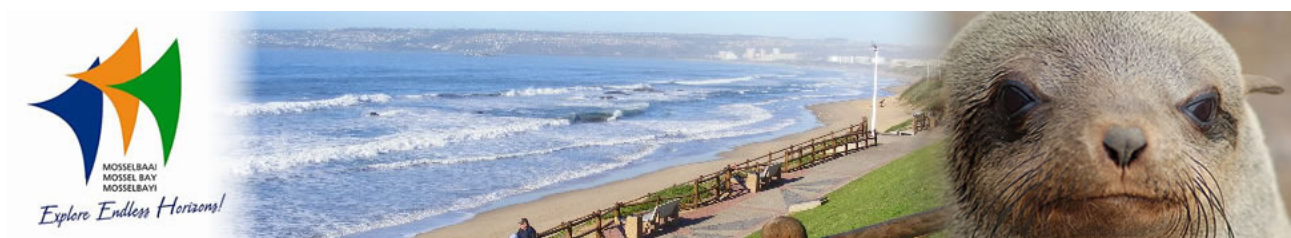
BUDGET RELATED POLICIES OF COUNCIL

The following policies are submitted annually as part of the budget documentation:

- * Cash Management and Investment Policy
- * Rates Policy
- * Tariff Policy
- * Credit Control and Debt Collection and Indigent Policy
- * Supply Chain Management Policy
- * Virement Policy
- * Funding and Reserve Policy
- * Asset Management Policy
- * Expenditure Policy
- * Debt and Borrowing Policy

A summary of the key amendments to the policy documents is shown in section 7.3 of this document.

H F BOTHA
CHIEF FINANCIAL OFFICER



6. ANNUAL BUDGET TABLES & GRAPHS

6.1. Budget summary

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousands									
Financial Performance									
Property rates	46,378	57,285	66,958	74,162	74,179	74,179	81,125	88,817	98,125
Service charges	289,276	317,838	375,425	436,061	429,559	429,559	481,586	526,284	578,894
Investment revenue	26,878	18,489	11,845	10,629	10,749	10,749	14,104	14,371	13,607
Transfers recognised - operational	43,824	48,886	63,996	75,581	87,753	87,753	68,012	49,594	69,834
Other own revenue	28,034	129,746	25,753	49,691	57,419	57,419	41,602	47,189	52,839
Total Revenue (excluding capital transfers and contributions)	434,390	572,244	543,977	646,124	659,658	659,658	686,429	726,255	813,300
Employee costs	127,640	153,958	160,528	184,615	181,735	181,735	193,043	207,094	223,284
Remuneration of councillors	5,427	5,781	6,235	7,404	8,289	8,289	8,428	8,934	9,381
Depreciation & asset impairment	23,068	25,887	32,221	38,298	39,442	39,442	48,704	53,333	56,093
Finance charges	787	995	695	3,586	1,700	1,700	2,949	2,728	2,576
Materials and bulk purchases	102,755	113,836	149,828	177,183	180,670	180,623	205,364	234,472	268,099
Transfers and grants	3,010	2,673	3,134	4,314	3,086	3,086	5,500	6,237	6,889
Other expenditure	154,832	343,597	248,582	236,422	256,466	256,513	230,152	221,912	256,741
Total Expenditure	417,519	646,726	601,224	651,821	671,388	671,388	694,142	734,710	823,062
Surplus/(Deficit)	16,870	(74,483)	(57,248)	(5,698)	(11,730)	(11,730)	(7,713)	(8,455)	(9,763)
Transfers recognised - capital	27,425	67,765	133,182	32,819	51,239	51,239	46,133	33,236	25,032
Contributions recognised - capital & contributed	-	1,020	66,537	-	6,121	6,121	-	-	-
Surplus/(Deficit) after capital transfers & contributions	44,296	(5,698)	142,471	27,121	45,630	45,630	38,421	24,780	15,269
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	44,296	(5,698)	142,471	27,121	45,630	45,630	38,421	24,780	15,269
Capital expenditure & funds sources									
Capital expenditure	100,502	146,105	260,538	118,021	148,780	148,780	123,861	105,873	100,865
Transfers recognised - capital	26,919	45,265	32,703	32,819	54,136	54,136	49,102	35,583	28,306
Public contributions & donations	64	24,262	17,089	3,950	6,759	6,759	2,050	2,400	2,500
Borrowing	3,929	-	130,475	2,224	2,288	2,288	699	175	485
Internally generated funds	69,590	76,578	80,271	79,028	85,597	85,597	72,009	67,715	69,574
Total sources of capital funds	100,502	146,105	260,538	118,021	148,780	148,780	123,861	105,873	100,865
Financial position									
Total current assets	270,144	278,808	279,582	280,950	277,049	277,049	280,029	274,021	271,339
Total non current assets	1,364,560	1,396,071	1,816,321	1,561,122	1,583,533	1,583,533	1,805,654	1,706,161	1,701,064
Total current liabilities	80,195	121,941	170,994	86,237	86,237	86,237	108,350	102,340	90,710
Total non current liabilities	72,269	82,851	107,369	116,153	116,153	116,153	134,339	131,860	129,180
Community wealth/Equity	1,482,240	1,470,087	1,817,539	1,639,683	1,658,192	1,658,192	1,842,993	1,745,982	1,752,513
Cash flows									
Net cash from (used) operating	94,759	21,818	252,983	58,499	77,008	77,008	97,067	97,307	97,459
Net cash from (used) investing	(96,876)	(44,560)	(234,608)	(75,752)	(98,162)	(98,162)	(88,361)	(102,823)	(98,490)
Net cash from (used) financing	476	(430)	(145)	2,931	2,931	2,931	2,650	2,575	2,500
Cash/cash equivalents at the year end	201,915	178,743	196,972	199,223	195,322	195,322	206,677	203,737	205,206
Cash backing/surplus reconciliation									
Cash and investments available	201,915	178,743	196,972	199,223	195,322	195,322	206,677	203,737	205,206
Application of cash and investments	139,535	113,750	124,043	9,199	4,643	4,643	49,434	45,287	35,201
Balance - surplus (shortfall)	62,380	64,994	72,930	190,024	190,679	190,679	157,243	158,451	170,005
Asset management									
Asset register summary (WDV)	1,363,339	1,393,884	1,807,532	1,559,603	1,582,013	1,582,013	1,803,854	1,704,411	1,699,364
Depreciation & asset impairment	23,068	25,887	32,221	38,298	39,442	39,442	48,704	53,333	56,093
Renewal of Existing Assets	13,535	29,332	16,163	13,360	14,408	14,408	17,630	19,378	22,079
Repairs and Maintenance	34,033	29,781	28,619	41,661	45,777	45,698	42,893	43,415	46,549
Free services									
Cost of Free Basic Services provided	30,729	34,902	37,195	47,877	47,877	47,469	48,759	51,101	53,859
Revenue cost of free services provided	150,047	38,812	41,007	52,035	52,035	46,998	49,027	51,805	54,763
Households below minimum service level									
Water:	1	1	-	1	1	1	0	0	0
Sanitation/sewerage:	1	1	1	1	1	1	1	0	0
Energy:	0	0	-	0	0	0	0	0	0
Refuse:	0	0	-	0	0	0	0	0	0

6.2. Budgeted financial performance (revenue and expenditure by standard classification)

Standard Classification Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand									
Revenue - Standard									
<i>Governance and administration</i>	88,345	197,999	98,109	116,369	119,072	119,072	120,764	133,713	144,436
Executive and council	38,279	135,903	25,023	35,906	38,640	38,640	33,611	38,236	38,861
Budget and treasury office	3,005	3,660	4,889	5,166	4,687	4,687	5,213	5,773	6,476
Corporate services	47,060	58,435	68,197	75,298	75,745	75,745	81,940	89,705	99,098
<i>Community and public safety</i>	35,899	35,214	41,094	72,011	90,477	90,477	79,537	50,590	50,353
Community and social services	1,089	1,262	1,806	1,452	1,429	1,429	7,552	690	759
Sport and recreation	6,702	7,157	7,321	10,129	11,845	11,845	13,169	13,967	10,395
Public safety	9,320	7,074	8,130	10,190	10,057	10,057	11,236	12,718	14,805
Housing	18,788	19,722	23,836	50,241	67,146	67,146	47,580	23,215	24,394
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	12,826	10,324	11,788	21,048	29,603	29,603	23,015	11,685	14,568
Planning and development	4,649	5,018	4,537	5,087	12,643	12,643	10,164	6,776	7,407
Road transport	8,177	5,306	7,251	15,961	16,960	16,960	12,851	4,909	7,161
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	324,746	397,492	592,705	469,514	477,867	477,867	509,247	563,502	628,974
Electricity	156,190	191,296	235,665	268,988	266,701	266,701	288,148	317,495	359,188
Water	69,161	108,370	253,017	86,913	93,311	93,311	101,477	119,957	135,957
Waste water management	70,266	65,222	65,620	71,069	72,682	72,682	71,977	73,177	73,663
Waste management	29,128	32,605	38,402	42,544	45,173	45,173	47,645	52,873	60,167
<i>Other</i>	-	-	-	-	-	-	-	-	-
Total Revenue - Standard	461,815	641,029	743,696	678,943	717,019	717,019	732,563	759,491	838,331
Expenditure - Standard									
<i>Governance and administration</i>	63,847	268,719	84,507	100,269	105,106	105,106	96,926	103,251	110,750
Executive and council	33,417	234,056	45,310	55,448	59,664	59,744	46,176	50,424	54,991
Budget and treasury office	11,716	12,778	14,045	16,177	15,604	15,524	16,128	16,740	17,768
Corporate services	18,714	21,884	25,152	28,645	29,838	29,838	34,622	36,087	37,991
<i>Community and public safety</i>	77,521	86,027	95,727	114,243	129,521	129,521	111,584	96,403	118,785
Community and social services	8,750	10,116	10,856	12,331	12,723	12,723	12,979	13,947	15,114
Sport and recreation	29,006	30,759	32,231	37,161	40,196	40,196	39,162	39,543	42,250
Public safety	22,584	24,030	26,685	29,310	32,052	32,052	34,040	35,877	38,374
Housing	17,180	21,121	25,955	35,441	44,551	44,551	25,403	7,036	23,047
Health	-	-	-	-	-	-	-	-	-
<i>Economic and environmental services</i>	37,611	36,726	35,313	49,844	46,841	46,841	52,910	56,605	60,629
Planning and development	13,843	16,612	18,250	21,344	21,260	21,260	23,614	25,058	26,728
Road transport	23,769	20,114	17,063	28,500	25,581	25,581	29,296	31,546	33,901
Environmental protection	-	-	-	-	-	-	-	-	-
<i>Trading services</i>	238,539	255,253	385,675	387,465	389,919	389,919	432,722	478,452	532,898
Electricity	118,117	137,049	166,333	206,620	208,914	208,914	230,539	261,899	297,587
Water	51,161	52,270	139,965	91,577	89,089	89,089	99,778	106,746	116,436
Waste water management	38,871	39,452	48,792	54,133	52,905	52,905	61,842	66,854	71,659
Waste management	30,390	26,482	30,586	35,135	39,011	39,011	40,562	42,952	47,215
<i>Other</i>	1	1	1	0	0	0	-	0	0
Total Expenditure - Standard	417,519	646,726	601,224	651,821	671,388	671,388	694,142	734,710	823,062
Surplus/(Deficit) for the year	44,296	(5,698)	142,471	27,121	45,630	45,630	38,421	24,780	15,269

6.3. Budgeted financial performance (revenue and expenditure by municipal vote)

Vote Description R thousand	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue by Vote									
Vote 1 - MUNICIPAL MANAGER	38,279	135,903	25,023	35,906	38,640	38,640	33,627	38,253	38,881
Vote 2 - CORPORATE SERVICES	827	1,195	1,330	1,235	8,487	8,487	4,997	1,144	1,237
Vote 3 - FINANCIAL SERVICES	49,449	61,087	71,926	79,429	79,124	79,124	86,420	94,678	104,693
Vote 4 - CIVIL SERVICES	147,605	178,897	325,888	173,944	182,952	182,952	186,304	198,044	216,780
Vote 5 - COMMUNITY SERVICES	46,239	48,097	55,660	64,314	68,505	68,505	79,602	80,248	86,126
Vote 6 - ELECTRICITY SERVICES	156,190	191,296	235,712	268,988	266,701	266,701	288,148	317,495	359,188
Vote 7 - DEVELOPMENT PLANNING & HOUSIN	23,225	24,554	28,157	55,128	72,610	72,610	53,464	29,629	31,426
Total Revenue by Vote	461,815	641,029	743,696	678,943	717,019	717,019	732,563	759,491	838,331
Expenditure by Vote to be appropriated									
Vote 1 - MUNICIPAL MANAGER	33,419	234,058	45,311	55,448	59,664	59,744	50,726	55,306	60,296
Vote 2 - CORPORATE SERVICES	15,503	18,206	19,978	20,971	20,779	20,779	21,502	22,723	24,142
Vote 3 - FINANCIAL SERVICES	16,653	18,483	21,571	26,392	27,516	27,436	28,378	29,372	30,852
Vote 4 - CIVIL SERVICES	114,151	112,470	206,483	174,283	167,512	167,512	191,007	205,065	221,804
Vote 5 - COMMUNITY SERVICES	90,730	91,388	100,358	113,938	123,982	123,982	126,743	132,318	142,953
Vote 6 - ELECTRICITY SERVICES	118,117	137,268	167,018	207,948	210,216	210,216	232,130	263,603	299,425
Vote 7 - DEVELOPMENT PLANNING & HOUSIN	28,947	34,854	40,506	52,843	61,721	61,721	43,656	26,322	43,591
Total Expenditure by Vote	417,519	646,726	601,224	651,821	671,388	671,388	694,142	734,710	823,062
Surplus/(Deficit) for the year	44,296	(5,698)	142,471	27,121	45,630	45,630	38,421	24,780	15,269

6.4. Budgeted financial performance (revenue and expenditure)

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source									
Property rates	44,294	55,141	64,886	72,062	72,429	72,429	79,125	86,717	95,878
Property rates - penalties & collection charges	2,084	2,144	2,073	2,100	1,750	1,750	2,000	2,100	2,247
Service charges - electricity revenue	145,593	171,939	209,889	250,017	247,017	247,017	275,388	303,657	337,919
Service charges - water revenue	54,924	49,780	62,160	69,910	66,000	66,000	83,215	92,000	102,000
Service charges - sanitation revenue	42,325	46,310	47,791	51,796	52,898	52,898	53,445	53,604	53,970
Service charges - refuse revenue	24,006	27,158	31,646	35,294	35,267	35,267	38,530	43,650	49,443
Service charges - other	22,428	22,651	23,939	29,043	28,378	28,378	31,007	33,373	35,562
Rental of facilities and equipment	3,893	4,137	4,022	4,247	4,282	4,282	4,629	5,160	5,790
Interest earned - external investments	26,878	18,489	11,845	10,629	10,749	10,749	14,104	14,371	13,607
Interest earned - outstanding debtors	414	354	342	345	304	304	291	309	296
Dividends received	-	-	-	-	-	-	-	-	-
Fines	4,910	2,644	3,555	5,258	5,354	5,354	6,061	7,267	8,713
Licences and permits	4,242	4,315	4,448	4,778	4,553	4,553	4,841	5,309	5,939
Agency services	-	-	-	-	-	-	-	-	-
Transfers recognised - operational	43,824	48,886	63,996	75,581	87,753	87,753	68,012	49,594	69,834
Other revenue	14,448	108,398	13,366	35,055	42,882	42,882	25,758	29,117	32,067
Gains on disposal of PPE	126	9,897	20	9	44	44	23	27	34
Total Revenue (excluding capital transfers and contributions)	434,390	572,244	543,977	646,124	659,658	659,658	686,429	726,255	813,300
Expenditure By Type									
Employee related costs	127,640	153,958	160,528	184,615	181,735	181,735	193,043	207,094	223,284
Remuneration of councillors	5,427	5,781	6,235	7,404	8,289	8,289	8,428	8,934	9,381
Debt impairment	12,333	12,514	18,448	12,860	12,860	12,860	14,000	14,700	15,435
Depreciation & asset impairment	23,068	25,887	32,221	38,298	39,442	39,442	48,704	53,333	56,093
Finance charges	787	995	695	3,586	1,700	1,700	2,949	2,728	2,576
Bulk purchases	92,789	105,503	141,956	167,017	170,437	170,437	194,696	223,271	255,822
Other materials	9,966	8,334	7,873	10,166	10,232	10,186	10,668	11,201	12,276
Contracted services	19,230	19,496	22,346	31,679	29,204	29,248	30,884	32,720	35,303
Transfers and grants	3,010	2,673	3,134	4,314	3,086	3,086	5,500	6,237	6,889
Other expenditure	122,882	311,237	206,852	191,783	213,983	213,985	184,920	174,144	205,656
Loss on disposal of PPE	387	351	936	100	419	419	348	348	348
Total Expenditure	417,519	646,726	601,224	651,821	671,388	671,388	694,142	734,710	823,062
Surplus/(Deficit)	16,870	(74,483)	(57,248)	(5,698)	(11,730)	(11,730)	(7,713)	(8,455)	(9,763)
Transfers recognised - capital	27,425	67,765	133,182	32,819	51,239	51,239	46,133	33,236	25,032
Contributions recognised - capital	-	-	-	-	-	-	-	-	-
Contributed assets	-	1,020	66,537	-	6,121	6,121	-	-	-
Surplus/(Deficit) after capital transfers & contributions	44,296	(5,698)	142,471	27,121	45,630	45,630	38,421	24,780	15,269
Taxation	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after taxation	44,296	(5,698)	142,471	27,121	45,630	45,630	38,421	24,780	15,269
Attributable to minorities	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) attributable to municipality	44,296	(5,698)	142,471	27,121	45,630	45,630	38,421	24,780	15,269
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	44,296	(5,698)	142,471	27,121	45,630	45,630	38,421	24,780	15,269

6.5. Budgeted capital expenditure by vote, standard classification and funding

Vote Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand									
Capital expenditure - Vote									
Multi-year expenditure to be appropriated									
Vote 1 - MUNICIPAL MANAGER	72	73	-	-	-	-	-	-	-
Vote 2 - CORPORATE SERVICES	605	93	141	49	4,828	4,828	143	147	15
Vote 3 - FINANCIAL SERVICES	1,942	32	505	2,348	2,412	2,412	724	205	500
Vote 4 - CIVIL SERVICES	33,460	16,399	35,768	28,129	46,802	46,802	19,940	39,606	41,275
Vote 5 - COMMUNITY SERVICES	1,368	3,343	7,291	3,915	2,458	2,458	5,978	2,264	5,467
Vote 6 - ELECTRICITY SERVICES	12,315	18,661	22,752	13,250	14,038	14,038	14,225	18,925	21,425
Vote 7 - DEVELOPMENT PLANNING & HOUSING	2,424	3,861	6,263	11,820	17,315	17,315	22,495	16,490	1,667
Capital multi-year expenditure sub-total	52,186	42,462	72,720	59,510	87,853	87,853	63,505	77,637	70,349
Single-year expenditure to be appropriated									
Vote 1 - MUNICIPAL MANAGER	8	663	110	1,512	1,535	1,535	1,500	500	-
Vote 2 - CORPORATE SERVICES	23	1,430	4,075	2,238	4,459	4,459	4,711	680	55
Vote 3 - FINANCIAL SERVICES	150	259	1,036	268	388	388	266	-	-
Vote 4 - CIVIL SERVICES	36,803	88,314	167,863	36,408	34,529	34,529	32,334	18,514	26,199
Vote 5 - COMMUNITY SERVICES	4,509	5,867	6,551	9,175	8,963	8,963	14,594	6,342	862
Vote 6 - ELECTRICITY SERVICES	6,353	6,796	7,570	5,270	5,186	5,186	6,860	2,000	3,400
Vote 7 - DEVELOPMENT PLANNING & HOUSING	470	314	613	3,640	5,868	5,868	90	200	-
Capital single-year expenditure sub-total	48,316	103,643	187,818	58,511	60,926	60,926	60,355	28,236	30,516
Total Capital Expenditure - Vote	100,502	146,105	260,538	118,021	148,780	148,780	123,861	105,873	100,865
Capital Expenditure - Standard									
Governance and administration	3,227	2,550	5,867	6,414	13,620	13,620	7,345	1,532	570
Executive and council	80	736	110	1,512	1,535	1,535	1,810	500	-
Budget and treasury office	2,092	291	1,541	2,615	2,799	2,799	990	205	500
Corporate services	1,055	1,523	4,216	2,287	9,287	9,287	4,545	827	70
Community and public safety	8,149	9,720	18,057	24,285	31,903	31,903	40,427	24,756	5,526
Community and social services	950	759	1,054	1,346	1,208	1,208	6,550	81	2
Sport and recreation	3,339	5,683	5,957	4,374	3,766	3,766	7,232	6,405	2,807
Public safety	1,538	1,528	4,873	3,350	3,980	3,980	4,180	1,800	1,070
Housing	2,323	1,751	6,173	15,215	22,949	22,949	22,465	16,470	1,647
Health	-	-	-	-	-	-	-	-	-
Economic and environmental services	13,238	23,546	22,493	36,622	36,505	36,505	23,027	15,074	16,764
Planning and development	144	2,425	703	245	232	232	120	220	20
Road transport	13,094	21,122	21,790	36,377	36,273	36,273	22,907	14,854	16,744
Environmental protection	-	-	-	-	-	-	-	-	-
Trading services	75,878	110,286	213,962	50,540	66,586	66,586	53,040	64,501	77,995
Electricity	18,668	25,457	30,322	18,520	19,224	19,224	21,085	20,925	24,825
Water	27,100	59,380	159,510	6,350	20,632	20,632	8,885	25,776	32,155
Waste water management	30,059	24,209	22,174	21,650	24,267	24,267	20,460	17,480	18,565
Waste management	51	1,240	1,957	4,020	2,463	2,463	2,610	320	2,450
Other	10	2	158	160	165	165	22	10	10
Total Capital Expenditure - Standard	100,502	146,105	260,538	118,021	148,780	148,780	123,861	105,873	100,865
Funded by:									
National Government	22,333	43,901	27,374	17,132	29,846	29,846	20,617	19,098	26,644
Provincial Government	4,586	1,364	3,467	15,687	24,290	24,290	28,485	16,485	1,662
District Municipality	-	-	1,862	-	-	-	-	-	-
Other transfers and grants	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	26,919	45,265	32,703	32,819	54,136	54,136	49,102	35,583	28,306
Public contributions & donations	64	24,262	17,089	3,950	6,759	6,759	2,050	2,400	2,500
Borrowing	3,929	-	130,475	2,224	2,288	2,288	699	175	485
Internally generated funds	69,590	76,578	80,271	79,028	85,597	85,597	72,009	67,715	69,574
Total Capital Funding	100,502	146,105	260,538	118,021	148,780	148,780	123,861	105,873	100,865

6.6. Budgeted Financial Position

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand									
ASSETS									
Current assets									
Cash	14	14	31,972	5,223	1,322	1,322	1,677	13,737	20,206
Call investment deposits	203,000	187,000	165,000	194,000	194,000	194,000	205,000	190,000	185,000
Consumer debtors	29,783	36,088	39,331	25,900	25,900	25,900	20,051	20,434	19,803
Other debtors	25,510	43,170	25,319	44,701	44,701	44,701	35,000	32,000	30,000
Current portion of long-term receivables	631	410	576	290	290	290	300	350	330
Inventory	11,207	12,126	17,384	10,838	10,838	10,838	18,000	17,500	16,000
Total current assets	270,144	278,808	279,582	280,950	277,049	277,049	280,029	274,021	271,339
Non current assets									
Long-term receivables	1,221	2,187	1,758	1,520	1,520	1,520	1,800	1,750	1,700
Investments	-	-	-	-	-	-	-	-	-
Investment property	503,158	413,143	714,489	505,918	505,918	505,918	750,000	690,000	720,000
Investment in Associate	-	-	-	-	-	-	-	-	-
Property, plant and equipment	859,740	980,453	1,092,977	1,052,852	1,075,263	1,075,263	1,053,804	1,014,366	979,324
Agricultural	-	-	-	-	-	-	-	-	-
Biological	-	-	-	-	-	-	-	-	-
Intangible	442	287	67	832	832	832	50	45	40
Other non-current assets	-	-	7,030	-	-	-	-	-	-
Total non current assets	1,364,560	1,396,071	1,816,321	1,561,122	1,583,533	1,583,533	1,805,654	1,706,161	1,701,064
TOTAL ASSETS	1,634,704	1,674,879	2,095,903	1,842,072	1,860,582	1,860,582	2,085,682	1,980,182	1,972,403
LIABILITIES									
Current liabilities									
Bank overdraft	1,099	8,271	-	-	-	-	-	-	-
Borrowing	1,905	1,681	1,160	1,350	1,350	1,350	1,250	1,240	1,210
Consumer deposits	2,750	10,161	11,615	11,203	11,203	11,203	12,000	12,200	12,300
Trade and other payables	69,770	92,068	149,435	68,468	68,468	68,468	87,500	81,500	70,000
Provisions	4,672	9,760	8,784	5,216	5,216	5,216	7,600	7,400	7,200
Total current liabilities	80,195	121,941	170,994	86,237	86,237	86,237	108,350	102,340	90,710
Non current liabilities									
Borrowing	2,995	2,096	1,017	25,730	25,730	25,730	28,739	25,665	22,560
Provisions	69,274	80,756	106,352	90,422	90,422	90,422	105,600	106,195	106,620
Total non current liabilities	72,269	82,851	107,369	116,153	116,153	116,153	134,339	131,860	129,180
TOTAL LIABILITIES	152,464	204,792	278,363	202,390	202,390	202,390	242,689	234,200	219,890
NET ASSETS	1,482,240	1,470,087	1,817,539	1,639,683	1,658,192	1,658,192	1,842,993	1,745,982	1,752,513
COMMUNITY WEALTH/EQUITY									
Accumulated Surplus/(Deficit)	1,370,577	1,387,397	1,785,770	1,631,234	1,649,743	1,649,743	1,841,090	1,752,785	1,767,019
Reserves	111,663	82,691	31,770	8,449	8,449	8,449	1,904	(6,803)	(14,506)
Minorities' interests	-	-	-	-	-	-	-	-	-
TOTAL COMMUNITY WEALTH/EQUITY	1,482,240	1,470,087	1,817,539	1,639,683	1,658,192	1,658,192	1,842,993	1,745,982	1,752,513

6.7. Budgeted Cash flows

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand									
CASH FLOW FROM OPERATING ACTIVITIES									
Receipts									
Ratepayers and other	341,480	457,508	524,130	598,131	599,857	599,857	540,695	622,025	675,333
Government - operating	51,427	116,107	70,043	62,657	75,688	75,688	68,012	49,594	69,834
Government - capital	31,227		137,369	24,828	43,358	43,358	46,133	33,236	25,032
Interest	27,291	18,842	12,187	15,962	16,040	16,040	14,396	14,680	13,904
Dividends					-	-			
Payments									
Suppliers and employees	(266,849)	(291,487)	(322,584)	(458,749)	(473,149)	(473,149)	(563,720)	(613,263)	(677,179)
Finance charges	(787)	(995)	(695)	(536)	1,350	1,350	(2,949)	(2,728)	(2,576)
Transfers and Grants	(89,031)	(278,157)	(167,467)	(183,793)	(186,136)	(186,136)	(5,500)	(6,237)	(6,889)
NET CASH FROM/(USED) OPERATING ACTIVITIES	94,759	21,818	252,983	58,499	77,008	77,008	97,067	97,307	97,459
CASH FLOWS FROM INVESTING ACTIVITIES									
Receipts									
Proceeds on disposal of PPE	758	11,217	(916)	11,272	11,272	11,272	35,000	2,500	2,000
Decrease (Increase) in non-current debtors					-	-			
Decrease (increase) other non-current receivable	1,057	314	284	496	496	496	500	550	375
Decrease (increase) in non-current investments		90,014	127		-	-			
Payments									
Capital assets	(98,691)	(146,105)	(234,104)	(87,520)	(109,930)	(109,930)	(123,861)	(105,873)	(100,865)
NET CASH FROM/(USED) INVESTING ACTIVITIES	(96,876)	(44,560)	(234,608)	(75,752)	(98,162)	(98,162)	(88,361)	(102,823)	(98,490)
CASH FLOWS FROM FINANCING ACTIVITIES									
Receipts									
Short term loans					-	-			
Borrowing long term/refinancing	111	(1,123)	(1,600)	(408)	(408)	(408)	(500)	(550)	(600)
Increase (decrease) in consumer deposits	365	692	1,454	339	339	339	350	375	400
Payments									
Repayment of borrowing				3,000	3,000	3,000	2,800	2,750	2,700
NET CASH FROM/(USED) FINANCING ACTIVITIES	476	(430)	(145)	2,931	2,931	2,931	2,650	2,575	2,500
NET INCREASE/ (DECREASE) IN CASH HELD	(1,641)	(23,172)	18,229	(14,322)	(18,223)	(18,223)	11,356	(2,940)	1,469
Cash/cash equivalents at the year begin:	203,556	201,915	178,743	213,544	213,544	213,544	195,322	206,677	203,737
Cash/cash equivalents at the year end:	201,915	178,743	196,972	199,223	195,322	195,322	206,677	203,737	205,206

6.8. Cash backed reserves/accumulated surplus reconciliation

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand									
Cash and investments available									
Cash/cash equivalents at the year end	201,915	178,743	196,972	199,223	195,322	195,322	206,677	203,737	205,206
Other current investments > 90 days	(0)	(0)	(0)	0	0	0	-	-	-
Non current assets - Investments	-	-	-	-	-	-	-	-	-
Cash and investments available:	201,915	178,743	196,972	199,223	195,322	195,322	206,677	203,737	205,206
Application of cash and investments									
Unspent conditional transfers	14,321	13,754	23,987	7,033	7,033	7,033	10,000	15,000	5,000
Unspent borrowing	-	-	-	-	-	-	-	-	-
Statutory requirements	2,952	10,161	11,615	11,203	6,703	6,703	12,000	12,200	12,300
Other working capital requirements	41	719	51,092	(19,110)	(19,166)	(19,166)	24,132	14,108	14,343
Other provisions	10,558	6,425	5,578	1,624	1,624	1,624	1,399	1,579	1,858
Long term investments committed	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	111,663	82,691	31,770	8,449	8,449	8,449	1,904	2,400	1,700
Total Application of cash and investments:	139,535	113,750	124,043	9,199	4,643	4,643	49,434	45,287	35,201
Surplus(shortfall)	62,380	64,994	72,930	190,024	190,679	190,679	157,243	158,451	170,005

6.9. Asset management

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand									
CAPITAL EXPENDITURE									
Total New Assets	86,967	116,773	244,375	104,661	134,372	134,372	106,231	86,495	78,786
Infrastructure - Road transport	22,268	16,871	16,939	34,007	33,795	33,795	24,980	15,084	16,855
Infrastructure - Electricity	17,511	27,641	29,442	17,220	17,939	17,939	15,490	11,000	14,300
Infrastructure - Water	25,626	37,546	158,571	8,165	22,161	22,161	6,680	23,816	30,130
Infrastructure - Sanitation	10,366	11,657	14,312	13,130	14,957	14,957	13,080	10,920	10,700
Infrastructure - Other	60	1,197	2,020	2,960	1,947	1,947	2,010	170	2,450
Infrastructure	75,830	94,912	221,284	75,482	90,800	90,800	62,240	60,990	74,435
Community	5,444	9,982	9,141	4,415	3,816	3,816	9,611	5,695	1,152
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	5,693	11,879	13,950	24,764	39,757	39,757	34,380	19,810	3,199
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	13,535	29,332	16,163	13,360	14,408	14,408	17,630	19,378	22,079
Infrastructure - Road transport	8,884	20,296	8,525	6,135	7,170	7,170	3,032	4,600	6,694
Infrastructure - Electricity	1,157	5,409	2,720	1,000	1,000	1,000	4,750	9,400	10,000
Infrastructure - Water	1,475	1,055	473	-	-	-	2,000	1,740	1,950
Infrastructure - Sanitation	1,637	1,832	3,023	600	668	668	530	620	800
Infrastructure - Other	-	400	186	500	-	-	300	-	-
Infrastructure	13,152	28,992	14,927	8,235	8,837	8,837	10,612	16,360	19,444
Community	382	339	1,236	2,685	2,355	2,355	4,680	778	1,050
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	-	-	-	2,440	3,215	3,215	2,338	2,240	1,585
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
Total Capital Expenditure	31,151	37,167	25,464	40,142	40,965	40,965	28,012	19,684	23,549
Infrastructure - Road transport	18,668	33,050	32,162	18,220	18,939	18,939	20,240	20,400	24,300
Infrastructure - Electricity	27,100	38,601	159,044	8,165	22,161	22,161	8,680	25,556	32,080
Infrastructure - Sanitation	12,003	13,489	17,335	13,730	15,624	15,624	13,610	11,540	11,500
Infrastructure - Other	60	1,597	2,206	3,460	1,947	1,947	2,310	170	2,450
Infrastructure	88,982	123,904	236,211	83,717	99,637	99,637	72,852	77,350	93,879
Community	5,826	10,321	10,377	7,100	6,171	6,171	14,291	6,473	2,202
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	5,693	11,879	13,950	27,204	42,972	42,972	36,718	22,050	4,784
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	100,502	146,105	260,538	118,021	148,780	148,780	123,861	105,873	100,865
ASSET REGISTER SUMMARY - PPE (WDV)									
Infrastructure - Road transport	86,776	99,447	154,890	94,841	97,656	97,656	94,926	92,126	88,943
Infrastructure - Electricity	89,064	100,920	131,891	97,341	98,280	98,280	97,429	92,714	89,511
Infrastructure - Water	106,700	123,940	304,946	249,894	253,544	253,544	250,120	239,184	230,922
Infrastructure - Sanitation	65,311	74,073	87,392	71,381	71,471	71,471	71,446	67,424	65,094
Infrastructure - Other	30,727	35,447	19,265	33,583	39,220	39,220	33,613	36,999	35,721
Infrastructure	378,578	433,828	698,383	547,040	560,171	560,171	547,534	528,446	510,191
Community	55,865	63,800	56,414	47,644	52,423	52,423	47,687	49,454	47,746
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	503,158	413,143	714,489	505,918	505,918	505,918	750,000	690,000	720,000
Other assets	425,297	482,826	338,179	458,168	462,668	462,668	458,582	436,465	421,387
Agricultural Assets	-	-	-	-	-	-	-	-	-
Biological assets	-	-	-	-	-	-	-	-	-
Intangibles	442	287	67	832	832	832	50	45	40
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	1,363,339	1,393,884	1,807,532	1,559,603	1,582,013	1,582,013	1,803,854	1,704,411	1,699,364
EXPENDITURE OTHER ITEMS									
Depreciation & asset impairment	23,068	25,887	32,221	38,298	39,442	39,442	48,704	53,333	56,093
Repairs and Maintenance by Asset Class	34,033	29,781	28,619	41,661	45,777	45,698	42,893	43,415	46,549
Infrastructure - Road transport	14,002	9,171	5,977	12,660	13,568	13,571	14,107	14,767	15,858
Infrastructure - Electricity	3,475	3,559	5,597	7,411	7,235	7,230	3,812	4,030	4,301
Infrastructure - Water	3,541	3,121	2,883	4,231	4,128	4,128	5,357	5,718	6,138
Infrastructure - Sanitation	801	682	737	890	815	825	1,360	1,465	1,586
Infrastructure - Other	533	538	796	610	673	673	651	703	759
Infrastructure	22,352	17,070	15,989	25,801	26,420	26,428	25,286	26,683	28,641
Community	4,250	3,912	3,953	6,252	8,699	8,840	6,436	4,920	5,236
Heritage assets	-	-	-	-	-	-	-	-	-
Investment properties	-	-	-	-	-	-	-	-	-
Other assets	7,431	8,800	8,677	9,608	10,658	10,430	11,170	11,813	12,672
TOTAL EXPENDITURE OTHER ITEMS	57,101	55,668	60,840	79,959	85,218	85,140	91,597	96,748	102,642
Renewal of Existing Assets as % of total capex	13.5%	20.1%	6.2%	11.3%	9.7%	9.7%	14.2%	18.3%	21.9%
Renewal of Existing Assets as % of deprecn"	58.7%	113.3%	50.2%	34.9%	36.5%	36.5%	36.2%	36.3%	39.4%
R&M as a % of PPE	4.0%	3.0%	2.6%	4.0%	4.3%	4.2%	4.1%	4.3%	4.8%
Renewal and R&M as a % of PPE	3.0%	4.0%	2.0%	4.0%	4.0%	4.0%	3.0%	4.0%	4.0%

6.10. Basic service delivery measurement

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Household service targets									
Water:									
Piped water inside dwelling	25,992	25,568	29,986	29,986	29,986	29,986	30,400	30,700	30,800
Piped water inside yard (but not in dwelling)	5,700	5,700	5,700	5,100	5,100	5,100	4,500	4,100	3,900
Using public tap (at least min.service level)	860	860	650	650	650	650	500	300	300
Other water supply (at least min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	32,552	32,128	36,336	35,736	35,736	35,736	35,400	35,100	35,000
Using public tap (< min.service level)	300	300	-	300	300	300	250	240	200
Other water supply (< min.service level)	220	220	-	220	220	220	210	210	200
No water supply	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	520	520	-	520	520	520	460	450	400
Total number of households	33,072	32,648	36,336	36,256	36,256	36,256	35,860	35,550	35,400
Sanitation/sewerage:									
Flush toilet (connected to sewerage)	18,948	21,511	23,054	24,956	24,956	24,956	25,300	26,000	26,500
Flush toilet (with septic tank)	5,589	5,910	5,030	5,030	5,030	5,030	3,000	2,000	1,000
Chemical toilet	1	1	-	-	-	-	-	-	-
Pit toilet (ventilated)	-	-	-	-	-	-	-	-	-
Other toilet provisions (> min.service level)	-	-	-	-	-	-	-	-	-
<i>Minimum Service Level and Above sub-total</i>	24,538	27,422	28,084	29,986	29,986	29,986	28,300	28,000	27,500
Bucket toilet	600	600	550	500	500	500	500	350	250
Other toilet provisions (< min.service level)	-	-	-	-	-	-	-	-	-
No toilet provisions	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	600	600	550	500	500	500	500	350	250
Total number of households	25,138	28,022	28,634	30,486	30,486	30,486	28,800	28,350	27,750
Energy:									
Electricity (at least min.service level)	6,787	6,666	5,357	5,211	5,211	5,211	5,200	5,150	5,000
Electricity - prepaid (min.service level)	22,747	23,153	24,250	24,837	24,837	24,837	25,000	25,500	25,600
<i>Minimum Service Level and Above sub-total</i>	29,534	29,819	29,607	30,048	30,048	30,048	30,200	30,650	30,600
Electricity (< min.service level)	-	-	-	-	-	-	-	-	-
Electricity - prepaid (< min. service level)	-	-	-	-	-	-	-	-	-
Other energy sources	480	480	-	480	480	480	480	480	480
<i>Below Minimum Service Level sub-total</i>	480	480	-	480	480	480	480	480	480
Total number of households	30,014	30,299	29,607	30,528	30,528	30,528	30,680	31,130	31,080
Refuse:									
Removed at least once a week	26,924	22,687	28,655	29,682	28,682	29,682	23,000	23,300	23,500
<i>Minimum Service Level and Above sub-total</i>	26,924	22,687	28,655	29,682	28,682	29,682	23,000	23,300	23,500
Removed less frequently than once a week	-	-	-	-	-	-	-	-	-
Using communal refuse dump	100	158	-	158	158	158	180	210	210
Using own refuse dump	-	-	-	-	-	-	-	-	-
Other rubbish disposal	-	-	-	-	-	-	-	-	-
No rubbish disposal	-	-	-	-	-	-	-	-	-
<i>Below Minimum Service Level sub-total</i>	100	158	-	158	158	158	180	210	210
Total number of households	27,024	22,845	28,655	29,840	28,840	29,840	23,180	23,510	23,710
Households receiving Free Basic Service									
Water (6 kilolitres per household per month)	25,733	35,597	29,986	29,986	29,986	29,986	30,400	30,700	30,800
Sanitation (free minimum level service)	7,934	7,608	5,962	6,334	6,334	6,334	6,500	7,000	7,500
Electricity/other energy (50kwh per household per month)	24,651	26,073	24,771	25,112	25,112	25,112	25,000	25,500	25,600
Refuse (removed at least once a week)	8,184	9,757	6,953	7,315	7,315	7,315	7,500	7,700	7,800
Cost of Free Basic Services provided (R'000)									
Water (6 kilolitres per household per month)	5,999	6,665	3,315	6,737	6,737	6,737	7,074	7,428	7,780
Water (basic charge)	6,988	6,800	10,472	10,607	10,607	10,409	10,929	11,804	12,050
Sanitation (free sanitation service)	10,617	10,393	10,821	15,874	15,874	15,874	15,874	15,874	16,826
Electricity/other energy (50kwh per household per month)	1,524	4,671	5,625	6,737	6,737	6,737	7,411	8,152	8,967
Refuse (removed once a week)	5,602	6,373	6,962	7,921	7,921	7,711	7,470	7,844	8,236
Total cost of FBS provided (minimum social package)	30,729	34,902	37,195	47,877	47,877	47,469	48,759	51,101	53,859
Highest level of free service provided									
Property rates (R value threshold)	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
Water (kilolitres per household per month)	6	6	6	6	6	6	6	6	6
Sanitation (kilolitres per household per month)	-	-	-	-	-	-	-	-	-
Sanitation (Rand per household per month)	146	146	154	146	146	146	146	146	146
Electricity (kwh per household per month)	50	50	50	50	50	50	50	50	50
Refuse (average litres per week)	61	61	66	66	66	66	66	66	66
Revenue cost of free services provided (R'000)									
Property rates (R15 000 threshold rebate)	1,442	1,719	1,078	1,214	1,214	1,214	1,275	1,339	1,406
Property rates (other exemptions, reductions and rebates)	3,492	1,848	2,404	2,612	2,612	3,005	3,155	3,313	3,478
Water	126,987	13,465	13,787	17,345	17,345	17,146	18,004	18,904	19,849
Sanitation	10,617	10,393	10,821	15,874	15,874	10,875	11,419	11,990	12,589
Electricity/other energy	1,524	4,671	5,625	6,737	6,737	6,737	7,411	8,152	8,967
Refuse	5,602	6,373	6,962	7,921	7,921	7,711	7,470	7,844	8,236
Municipal Housing - rental rebates	384	344	331	332	332	308	293	264	237
Housing - top structure subsidies	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-
Total revenue cost of free services provided (total social package)	150,047	38,812	41,007	52,035	52,035	46,998	49,027	51,805	54,763

6.11. Other supporting tables / graphs

CASH BUDGET

The following schedule shows the Cash Budget of the operating revenue per source and expenditure per type for the 2012/13 budget year:

TYPE CODE	TYPE	% of total income/exp budget	NON-CASH Transactions	Departmental Costs	Transfers out (Contra)	TOTAL CASH BUDGET	% of total income/exp budget
2012/2013							
INCOME							
56	Property Rates	11.2%		390,965	3,001,987	(78,733,621)	13.2%
58	Penalties Imposed And Collection Charges	0.3%				(2,000,000)	0.3%
62	Service Charges	65.7%		25,722,297	52,061,852	(403,801,980)	67.6%
66	Rent of Facilities and Equipment	0.6%				(4,629,044)	0.8%
68	Interest Earned - External Investments	1.9%	-			(14,104,320)	2.4%
72	Interest Earned - Outstanding Debtors	0.0%				(291,400)	0.0%
76	Fines	0.8%				(6,060,750)	1.0%
78	Licenses and Permits	0.7%				(4,840,500)	0.8%
82	Grants & Subsidies Received - Operating	9.3%				(68,011,723)	11.4%
83	Grants & Subsidies Received - Capital	6.3%	46,133,418			-	0.0%
84	Other Revenue	3.5%	4,583,094		6,000,000	(15,175,118)	2.5%
85	Public Contr & Donated Property, Plant &	0.0%				-	0.0%
86	Gains on Disposal Of Property, Plant & E	0.0%	22,500		-	-	0.0%
OPERATING INCOME GENERATED			50,739,012	26,113,262	61,063,839	(597,648,456)	
88	Less Revenue Foregone	-0.4%			(3,001,987)	-	0.0%
TOTAL OPERATING INCOME		100.0%	50,739,012	26,113,262	58,061,852	(597,648,456)	100.0%
EXPENDITURE							
2	Employee Related Costs	25.7%		-		178,421,336	29.9%
4	Less Employee Costs Capitalised	-0.2%				(1,180,000)	-0.2%
6	Less Empl Costs Alloc To Other Operating	0.0%		-		-	0.0%
8	Remuneration Of Councillors	1.2%				8,428,321	1.4%
10	Bad Debts	0.0%				-	0.0%
12	Collection Costs	1.0%				6,600,000	1.1%
14	General Expenses - Bulk Purchases	28.0%				194,696,370	32.6%
16	General Expenses - Contracted Services	4.4%				30,884,281	5.2%
18	General Expenses - Grants & Subsidies Pa	0.8%			(4,545,392)	955,000	0.2%
20	General Expenses - Other	15.4%	(1,500,000)	(26,113,262)	-	79,476,639	13.3%
22	Repairs & Maintenance - Municipal Assets	6.2%				42,892,530	7.2%
24	Depreciation - Property, Plant & Equip	6.9%				47,573,602	8.0%
26	Depreciation - Leased Property Plant & E	0.2%				1,116,655	0.2%
27	Amortisation - Intangible Assets	0.0%				13,999	0.0%
28	Interest Expense - External Borrowings	0.4%				2,949,092	0.5%
30	Disposal Of Property, Plant & Equipment	0.1%	(348,000)			-	0.0%
32	Contributions From Operating To Capital	0.0%				-	0.0%
34	Contributions To / From Provisions & Res	4.3%	(10,487,457)		(14,000,000)	5,314,500	0.9%
44	Interdepartmental Charges And Recoveries	-0.1%				(511,000)	-0.1%
48	Other Adjustments & Transfers [Appropria	5.7%			(39,516,460)	-	0.0%
DIRECT OPERATING EXPENDITURE			(12,335,457)	(26,113,262)	(58,061,852)	597,631,325	
INTERNAL CHARGES							
	Admin-Internal Charges (DR)	3.2%				22,074,276	3.7%
	Admin-Internal Recovery (CR)	-3.2%				(22,074,276)	-3.7%
TOTAL OPERATING EXPENDITURE		100.0%	(12,335,457)	(26,113,262)	(58,061,852)	597,631,326	100.0%
OPERATING (SURPLUS)/DEFICIT			38,403,555	-	-	(17,130)	

The following schedule shows the Cash Budget of the operating revenue per source and expenditure per type for the 2013/14 projected budget year:

TYPE CODE	TYPE	% of total income/exp budget	NON-CASH Transactions	Departmental Costs	Transfers out (Contra)	TOTAL CASH BUDGET	% of total income/exp budget
2013/2014							
INCOME							
56	Property Rates	11.8%		422,242	3,272,166	(86,294,677)	13.7%
58	Penalties Imposed And Collection Charges	0.3%				(2,100,000)	0.3%
62	Service Charges	69.3%		27,720,347	54,690,936	(443,872,399)	70.3%
66	Rent of Facilities and Equipment	0.7%				(5,160,301)	0.8%
68	Interest Earned - External Investments	1.9%	-			(14,371,406)	2.3%
72	Interest Earned - Outstanding Debtors	0.0%				(308,656)	0.0%
76	Fines	1.0%				(7,266,603)	1.2%
78	Licenses and Permits	0.7%				(5,309,230)	0.8%
82	Grants & Subsidies Received - Operating	6.5%				(49,594,428)	7.9%
83	Grants & Subsidies Received - Capital	4.4%	33,235,789			-	0.0%
84	Other Revenue	3.8%	5,321,315		7,000,000	(16,795,617)	2.7%
85	Public Contr & Donated Property, Plant &	0.0%				-	0.0%
86	Gains on Disposal Of Property, Plant & E	0.0%	27,000		-	-	0.0%
OPERATING INCOME GENERATED			38,584,104	28,142,589	64,963,102	(631,073,317)	
88	Less Revenue Foregone	-0.4%			(3,272,166)	-	0.0%
TOTAL OPERATING INCOME		100.0%	38,584,104	28,142,589	61,690,936	(631,073,317)	100.0%
EXPENDITURE							
2	Employee Related Costs	26.0%		-		191,126,803	30.3%
4	Less Employee Costs Capitalised	-0.2%				(1,241,200)	-0.2%
6	Less Empl Costs Alloc To Other Operating	0.0%		-		-	0.0%
8	Remuneration Of Councillors	1.2%				8,934,021	1.4%
10	Bad Debts	0.0%				-	0.0%
12	Collection Costs	0.9%				6,930,000	1.1%
14	General Expenses - Bulk Purchases	30.4%				223,270,825	35.4%
16	General Expenses - Contracted Services	4.5%				32,719,560	5.2%
18	General Expenses - Grants & Subsidies Pa	0.8%			(5,221,656)	1,015,000	0.2%
20	General Expenses - Other	12.8%	(1,680,000)	(28,142,589)	-	63,884,380	10.1%
22	Repairs & Maintenance - Municipal Assets	5.9%				43,415,246	6.9%
24	Depreciation - Property, Plant & Equip	7.1%				52,393,390	8.3%
26	Depreciation - Leased Property Plant & E	0.1%				925,748	0.1%
27	Amortisation - Intangible Assets	0.0%				14,051	0.0%
28	Interest Expense - External Borrowings	0.4%				2,728,271	0.4%
30	Disposal Of Property, Plant & Equipment	0.0%	(348,000)			-	0.0%
32	Contributions From Operating To Capital	0.0%				-	0.0%
34	Contributions To / From Provisions & Res	4.3%	(11,804,058)		(14,700,000)	5,404,687	0.9%
44	Interdepartmental Charges And Recoveries	-0.1%				(485,453)	-0.1%
48	Other Adjustments & Transfers [Appropri	5.7%			(41,769,280)	-	0.0%
DIRECT OPERATING EXPENDITURE			(13,832,058)	(28,142,589)	(61,690,936)	631,035,329	
INTERNAL CHARGES							
	Admin-Internal Charges (DR)	3.3%				24,502,444	3.9%
	Admin-Internal Recovery (CR)	-3.3%				(24,502,447)	-3.9%
TOTAL OPERATING EXPENDITURE		100.0%	(13,832,058)	(28,142,589)	(61,690,936)	631,035,326	100.0%
OPERATING (SURPLUS)/DEFICIT			24,752,046	-	-	(37,991)	

The following schedule shows the Cash Budget of the operating revenue per source and expenditure per type for the 2014/15 projected budget year:

TYPE CODE	TYPE	% of total income/exp budget	NON-CASH Transactions	Departmental Costs	Transfers out (Contra)	TOTAL CASH BUDGET	% of total income/exp budget
2014/2015							
INCOME							
56	Property Rates	11.9%		460,244	3,599,383	(95,417,800)	13.5%
58	Penalties Imposed And Collection Charges	0.3%				(2,247,000)	0.3%
62	Service Charges	69.1%		30,833,775	59,393,920	(488,666,241)	68.9%
66	Rent of Facilities and Equipment	0.7%				(5,789,862)	0.8%
68	Interest Earned - External Investments	1.6%	-			(13,607,386)	1.9%
72	Interest Earned - Outstanding Debtors	0.0%				(296,428)	0.0%
76	Fines	1.0%				(8,712,792)	1.2%
78	Licenses and Permits	0.7%				(5,938,628)	0.8%
82	Grants & Subsidies Received - Operating	8.3%				(69,834,354)	9.9%
83	Grants & Subsidies Received - Capital	3.0%	25,031,603			-	0.0%
84	Other Revenue	3.8%	5,639,431		8,180,000	(18,248,035)	2.6%
85	Public Contr & Donated Property, Plant &	0.0%				-	0.0%
86	Gains on Disposal Of Property, Plant & E	0.0%	33,750		-	-	0.0%
OPERATING INCOME GENERATED			30,704,784	31,294,019	71,173,303	(708,758,526)	
88	Less Revenue Foregone	-0.4%			(3,599,383)	-	0.0%
TOTAL OPERATING INCOME		100.0%	30,704,784	31,294,019	67,573,920	(708,758,526)	100.0%
EXPENDITURE							
2	Employee Related Costs	25.0%		-		205,778,589	29.0%
4	Less Employee Costs Capitalised	-0.2%				(1,288,516)	-0.2%
6	Less Empl Costs Alloc To Other Operating	0.0%		-		-	0.0%
8	Remuneration Of Councillors	1.1%				9,380,722	1.3%
10	Bad Debts	0.0%				-	0.0%
12	Collection Costs	0.9%				7,415,100	1.0%
14	General Expenses - Bulk Purchases	31.1%				255,822,449	36.1%
16	General Expenses - Contracted Services	4.3%				35,302,724	5.0%
18	General Expenses - Grants & Subsidies Pa	0.8%			(5,794,120)	1,095,000	0.2%
20	General Expenses - Other	14.3%	(1,848,000)	(31,294,019)	-	84,923,823	12.0%
22	Repairs & Maintenance - Municipal Assets	5.7%				46,548,654	6.6%
24	Depreciation - Property, Plant & Equip	6.8%				55,556,982	7.8%
26	Depreciation - Leased Property Plant & E	0.1%				522,038	0.1%
27	Amortisation - Intangible Assets	0.0%				14,013	0.0%
28	Interest Expense - External Borrowings	0.3%				2,575,906	0.4%
30	Disposal Of Property, Plant & Equipment	0.0%	(348,000)			-	0.0%
32	Contributions From Operating To Capital	0.0%				-	0.0%
34	Contributions To / From Provisions & Res	4.2%	(13,268,606)		(15,435,000)	5,525,062	0.8%
44	Interdepartmental Charges And Recoveries	-0.1%				(451,471)	-0.1%
48	Other Adjustments & Transfers [Appropri	5.6%			(46,344,800)	-	0.0%
DIRECT OPERATING EXPENDITURE			(15,464,606)	(31,294,019)	(67,573,920)	708,721,075	
INTERNAL CHARGES							
	Admin-Internal Charges (DR)	3.3%				26,952,692	3.8%
	Admin-Internal Recovery (CR)	-3.3%				(26,952,693)	-3.8%
TOTAL OPERATING EXPENDITURE		100.0%	(15,464,606)	(31,294,019)	(67,573,920)	708,721,074	100.0%
OPERATING (SURPLUS)/DEFICIT			15,240,178	-	-	(37,452)	

OPERATING BUDGET PER ITEM

The following schedule shows the operating revenue and expenditure per item for current financial year as well as the 2012/13 MTREF period:

ITEM CODE	ITEM	2010-11	2011-12		2012-2013 BUDGET	2013-2014 BUDGET	2014-2015 BUDGET
		ACTUAL	BUDGET	ADJUSTED BUDGET			
2 Employee Related Costs							
10	Allowance-Acting	613,221	630,000	953,850	675,000	702,000	723,060
20	Allowance-Cashiers	22,300	22,725	25,125	26,100	28,710	28,998
30	Allowance - Entertainment	-	-	-	-	-	-
40	Allowance-Housing Subsidy	892,131	1,221,796	1,214,541	1,159,428	1,205,806	1,254,041
43	Allowance-Locomotion-Bus	211,229	215,040	216,384	196,992	200,933	208,972
44	Allowance-Locomotion-Claims	627,899	530,282	695,548	451,530	474,107	488,331
45	Allowance-Locomotion-Fixed	2,713,769	3,104,059	3,447,693	3,955,716	4,193,060	4,863,946
50	Allowance-Other	1,746,254	1,595,974	1,761,997	1,758,666	1,872,979	2,000,341
125	Bonuses	7,638,781	8,521,209	8,431,866	8,980,135	9,545,882	10,214,095
250	Contract Workers	584,725	1,691,676	1,694,476	2,095,300	2,524,266	3,025,604
260	Contributions-Med. Aid Fund	7,621,427	10,027,555	9,470,729	9,488,114	10,342,045	11,479,670
265	Contributions-Pension Fund	11,890,202	14,139,315	13,872,284	15,418,011	17,268,173	19,340,353
270	Contributions-Provident Fund	2,301,022	3,822,611	3,541,085	3,834,721	3,873,069	3,989,262
290	Ex Gratia Pensions	-	-	-	-	-	-
295	Executive Packages	6,772,318	7,273,634	7,273,634	7,304,842	7,779,656	8,402,030
330	Group Life Insurance	2,130,381	3,034,008	2,950,995	2,888,772	3,119,876	3,307,072
380	Leave Pay	-	-	-	-	-	-
381	Long Service Bonus	-	-	-	-	-	-
405	Overtime Pay	6,283,301	6,538,176	5,577,899	5,789,140	6,194,380	6,751,878
420	Protective Clothing & Uniforms	666,851	856,090	877,090	933,246	1,063,900	1,138,375
430	Salaries	87,823,687	102,306,747	99,932,035	108,200,915	115,233,972	122,724,175
445	Standby	2,078,623	2,122,000	2,126,000	1,889,286	1,964,857	2,082,748
460	Temporary/Casual Staff	1,948,175	987,500	1,655,300	1,293,820	1,332,635	1,372,619
465	Unemployment Insurance Fund	807,992	925,467	967,170	969,151	1,027,301	1,109,487
480	Wages	-	-	-	-	-	-
485	Workman's Compensation	1,073,108	1,091,939	1,091,939	1,112,451	1,179,196	1,273,532
SUB-TOTAL		146,447,396	170,657,803	167,777,640	178,421,336	191,126,803	205,778,589
4 Less Employee Costs Capitalised							
530	Empl Cost to Capital-Salaries	(81,871)	(1,317,500)	(1,317,500)	(960,000)	(1,008,000)	(1,048,320)
535	Empl Cost to Capital-Wages	(796,968)	(391,750)	(391,750)	(220,000)	(233,200)	(240,196)
SUB-TOTAL		(878,839)	(1,709,250)	(1,709,250)	(1,180,000)	(1,241,200)	(1,288,516)
6 Less Employee Costs Alloc to Other Operating							
543	Empl Cost to OperDept-Salaries	-	-	-	-	-	-
545	Empl Cost to Oper Dept-Wages	-	-	-	-	-	-
SUB-TOTAL		-	-	-	-	-	-
8 Remuneration Of Councillors							
550	Councillors Remun-Allowances	5,930,277	6,985,047	7,859,142	7,926,344	8,401,925	8,822,021
551	Council Remun-Office Allow.	-	-	-	-	-	-
552	Council Remun-Pension Fund	-	-	-	-	-	-
553	Council Remun-Travel Allow.	1,049	50,000	56,312	100,000	106,000	111,300
554	Council Remun-Telephone Allow	303,581	368,540	373,932	401,977	426,096	447,401
556	Council Remun-Housing Allow	-	-	-	-	-	-
558	Council Remun-Med. Aid Fund	-	-	-	-	-	-
SUB-TOTAL		6,234,907	7,403,587	8,289,386	8,428,321	8,934,021	9,380,722
10 Bad Debts							
560	Bad Debt	-	-	-	-	-	-
SUB-TOTAL		-	-	-	-	-	-
12 Collection Costs							
570	Collection Costs	4,728,181	4,900,000	5,942,145	6,600,000	6,930,000	7,415,100
SUB-TOTAL		4,728,181	4,900,000	5,942,145	6,600,000	6,930,000	7,415,100
14 General Expenses - Bulk Purchases							
580	Bulk Purchases-Electricity	125,374,428	157,017,216	160,437,330	182,096,370	209,410,825	240,822,449
585	Bulk Purchases-Water	16,581,088	10,000,000	10,000,000	12,600,000	13,860,000	15,000,000
SUB-TOTAL		141,955,515	167,017,216	170,437,330	194,696,370	223,270,825	255,822,449

ITEM CODE	ITEM	2010-11	2011-12		2012-2013 BUDGET	2013-2014 BUDGET	2014-2015 BUDGET
		ACTUAL	BUDGET	ADJUSTED BUDGET			
16 General Expenses - Contracted Services							
610	Agency Paym-Account Print	430,302	525,000	673,934	586,556	645,212	709,733
611	AMR System	271,300	360,000	300,000	330,000	336,600	356,796
613	Agency payments - Beautification of CB	-	60,000	60,000	40,000	42,800	45,368
614	Agency Payments - Cash Transit	186,889	221,000	233,965	210,973	236,290	257,556
615	Agency Payments-Cleansing Serv	2,080,776	2,065,000	2,748,038	2,050,000	2,296,000	2,548,560
616	Agency Payment-Cut of Grass	3,875,403	4,550,000	4,535,429	4,180,000	4,347,200	4,738,448
617	Agency Payments - Desalination Plant	-	4,757,044	3,000,000	4,559,150	4,787,108	5,122,206
620	Agency Payments-Gardening Serv	64,022	220,000	150,000	180,000	199,800	223,776
622	Agency Paym-Info Sys Maint	184,542	265,000	265,000	345,000	358,800	383,916
625	Agency Paym-Internal Auditors	815,464	962,500	959,610	1,058,750	1,143,450	1,234,927
626	Agency Payments-life Saving	889,345	920,000	920,000	980,000	1,058,400	1,132,488
630	Agency Paym-Meter Readings	911,735	1,105,500	1,050,000	1,162,400	1,197,272	1,281,081
635	Agency Paym-Prepaid System	4,062,861	5,400,000	5,300,000	5,700,000	5,985,000	6,403,950
640	Agency Paym-Refuse Recycling	80,525	200,000	100,000	200,000	224,000	250,880
645	Agency Paym-Refuse Removal	3,163,944	3,500,000	3,300,000	3,600,000	3,852,000	4,160,160
649	Agency Payments - R.O. Plant	2,499,734	3,180,247	3,000,000	2,933,268	3,079,931	3,326,325
650	Agency Payments-Sanitation Ser	1,021,921	1,393,000	750,000	800,000	864,000	915,840
655	Agency Paym-Security Services	1,246,669	1,042,434	867,866	982,322	1,011,791	1,062,380
660	Agency Paym-Transport Co.	137,597	326,955	362,467	330,862	347,406	368,253
665	Agency Paym-Add.Valuations	241,510	400,000	400,000	420,000	457,800	508,158
666	Agency Payment-Washing Linen	36,595	40,000	35,000	40,000	42,000	46,620
690	Concessionary Fees- Indigent	145,272	185,000	192,340	195,000	206,700	225,303
SUB-TOTAL		22,346,405	31,678,680	29,203,649	30,884,281	32,719,560	35,302,724

18 General Expenses - Grants & Subsidies Pa							
703	Grants & Donations-Public	559,839	550,000	550,000	650,000	695,500	751,140
710	Grant In Aid-Assessment Rates	-	-	-	-	-	-
712	Grants & Donations - District	-	-	15,000	15,000	15,000	15,000
713	Grant In Aid-Services	2,243,596	3,432,000	2,210,000	4,545,392	5,221,656	5,794,120
714	Sub: Benefit Discount Scheme	330,864	331,686	310,757	290,000	304,500	328,860
SUB-TOTAL		3,134,299	4,313,686	3,085,757	5,500,392	6,236,656	6,889,120

20 General Expenses - Other							
730	Advertising	1,105,515	1,084,100	1,346,485	1,206,260	1,254,510	1,367,416
735	Allowances-Adhoc Comm Members	108,452	90,000	91,255	90,000	94,500	100,170
736	Actuarial Loss	3,715,119	-	2,500,000	1,500,000	1,680,000	1,848,000
737	Animal Feed	31,574	50,000	50,000	55,000	58,300	62,964
740	Audit Fees-External Auditors	2,552,686	2,630,000	2,630,000	3,043,700	3,195,885	3,483,515
755	Bank Charges	2,005,560	2,165,000	1,970,033	2,223,065	2,334,217	2,474,270
760	Books,Magazines & Publications	366	13,550	10,250	22,960	26,404	28,517
761	Blue Flag Training	-	-	11,000	11,000	11,990	12,949
764	Bursary Scheme	64,827	75,000	75,000	75,000	81,000	86,670
765	Bush & Weed Clearing	902,062	600,000	783,452	645,300	696,924	759,647
772	Cleaner Cities & Towns	162,872	-	-	-	-	-
773	Community Meetings	-	-	-	-	-	-
780	Conferences & Seminars	47,017	88,500	108,961	108,000	113,400	120,205
785	Consultant Fees-Emply Equity	-	-	-	-	-	-
790	Consultant Fees-General	1,628,496	1,665,000	1,268,655	2,446,737	2,532,232	2,723,292
793	Consultant Fees-Marketing	-	-	-	-	-	-
795	Consultant Fees-Planning/IDP	-	-	-	-	-	-
796	Consultant Fees-Personnel	67,503	50,000	8,600	30,000	33,000	35,640
805	Contract Work-General	3,997,160	7,012,600	7,860,482	5,447,156	5,294,781	5,827,893
806	Contract Charges - Street Ligh	113,442	152,400	168,045	203,196	221,484	239,203
807	Contract Charges Electricity	701,815	858,330	698,215	995,831	1,055,581	1,140,025
808	Contract Charges Water	7,629	9,690	7,747	10,362	11,191	11,974
812	Disciplinary Costs	57,747	125,000	235,000	135,000	148,500	161,865
813	Desalination Plant-PetroSA	64,010,540	-	6,120,000	-	-	-
850	Home Ownership Education	29,556	50,000	54,284	50,000	55,000	60,500
860	Employee's Assistance Program	400	25,000	15,000	30,000	33,000	35,640
865	Entertainment-Public	38,963	58,500	84,500	90,000	96,300	104,969
866	EPWP - Incentive	-	-	2,656,000	-	-	-
868	Fire-Breaks	47,700	75,000	50,000	50,000	52,500	57,225
870	Fuel & Oil	4,216,197	5,331,800	5,097,247	5,791,550	6,081,128	6,628,436
875	Festive Lights	53,557	80,000	70,000	70,000	75,600	82,404
890	Higiène / Hygiene	21,988	73,413	63,884	78,134	85,948	92,824
895	Hire Charges-Television Sets	-	-	-	-	-	-
900	Hire Charges-Toilets	102,003	59,500	91,000	89,800	95,188	101,851
905	Hire Charges-Trip Meters	-	-	-	-	-	-
914	Housing: Community Residential Units	-	-	1,427,120	-	-	-
915	Hire Charges-Office Equipment	-	-	-	-	-	-
916	Housing:Top Structures	20,562,707	26,872,000	32,932,431	18,251,600	1,000,000	16,697,484
917	Impairment on Investments	-	-	-	-	-	-
918	Houses for resale-Written off	699,630	950,000	4,079,009	-	-	-
919	Housing:Top Str-Dalmeida/Kwa	778,072	1,200,000	1,200,000	1,600,000	-	-
920	Industrial/Tourism-Sect.21 Co.	2,605,518	2,814,322	2,814,322	1,895,240	2,179,526	2,342,990

ITEM CODE	ITEM	2010-11	2011-12		2012-2013 BUDGET	2013-2014 BUDGET	2014-2015 BUDGET
		ACTUAL	BUDGET	ADJUSTED BUDGET			
921	IDP Planning	26,169	30,000	30,000	90,000	100,800	106,848
925	Insurance Expenses	2,060,558	2,523,132	2,131,758	2,223,067	2,334,220	2,520,957
926	Insurance Excess Payments	84,094	82,500	102,200	61,620	66,550	71,209
930	Interviewing	67,208	80,000	70,000	70,000	76,300	83,167
935	Inventory Items	372,527	345,150	310,850	317,966	346,583	370,845
936	Land Surveying	-	-	-	-	-	-
940	Lease Charges-Equipment	-	-	-	-	-	-
942	Lease Charges-Vehicles	-	-	-	-	-	-
945	Legal Costs	1,429,215	1,700,000	1,700,000	1,000,000	1,100,000	1,199,000
950	Levy-Bargaining Council	39,143	42,939	49,148	43,991	47,515	50,837
955	Levy-D.M.:Establishment	-	-	-	-	-	-
960	Levy-D.M.:Services	-	-	-	-	-	-
970	Levy-Skills Development(SETA)	1,226,680	1,547,750	1,547,750	1,792,000	1,935,360	2,109,542
975	Levy-Water Research:DWAF	280,620	450,000	450,000	450,000	472,500	510,300
980	Levy-Water Catchmt Man:DWAF	538,463	500,000	500,000	525,000	572,250	623,753
983	Licence Fees-Radios	28,125	34,300	28,910	44,000	46,640	50,371
985	Licence Fees-Vehicles	270,121	372,775	350,921	400,074	432,080	470,966
986	Linen	33,078	-	-	35,000	38,500	42,350
990	Local Economic Development	760,241	750,000	555,700	520,000	561,600	606,528
995	Lost Books	10,919	9,250	9,250	10,250	11,480	12,743
1005	Materials & Stores-Chemicals	6,348,050	8,546,495	8,559,626	8,949,500	9,396,975	10,327,276
1010	Materials & Stores-General	1,524,839	1,619,280	1,672,855	1,718,530	1,804,457	1,948,812
1015	Materials & Stores-Med. Stock	-	-	-	-	-	-
1020	Mayor's Public Expenses	-	-	-	-	-	-
1025	Medical Tests	15,324	100,000	57,000	77,000	81,620	88,149
1035	Municipal Charges-Electricity	15,036,368	19,464,211	18,508,196	22,665,210	24,410,431	27,315,273
1040	Municipal Charges-Rates	345,316	372,941	343,568	390,965	422,242	460,244
1045	Municipal Charges-Refuse	212,317	243,628	225,373	260,678	284,138	306,867
1050	Municipal Charges-Sewerage	295,715	319,371	260,701	306,006	330,486	356,924
1055	Municipal Charges-Water	479,070	199,348	561,555	565,404	616,292	671,761
1065	Newsletters	17,663	15,616	22,028	24,000	26,160	28,252
1075	Pew feeding Scheme-Kwasiorkor	-	-	-	-	-	-
1080	Pauper Burials	2,286	15,000	4,200	15,000	16,500	17,985
1081	Personnel Job Evaluations	29,216	100,000	60,000	50,000	53,000	56,710
1085	Pest Control	195,909	218,834	253,845	272,832	291,930	318,202
1090	Photographs-Civic	4,455	10,000	8,700	7,000	7,700	8,624
1095	Postage, Rev Stamps & PO Box	1,274,802	1,711,010	1,723,145	1,475,100	1,548,855	1,641,788
1100	Printing & Stationary	1,125,936	1,297,300	1,448,271	1,449,365	1,521,833	1,613,145
1101	Projects	170,747	170,000	160,000	320,000	345,600	380,160
1105	Public Functions	172,971	200,000	205,000	212,000	231,080	251,877
1110	Publicity	306,631	512,000	330,241	462,000	503,580	548,902
1115	Railage	-	-	-	-	-	-
1125	Refreshments	157,207	170,000	174,000	180,000	196,200	211,896
1126	Refund Deposits	1,450	5,000	1,000	-	-	-
1130	Refuse Bags	866,927	1,207,000	1,275,097	1,407,000	1,519,560	1,656,320
1135	Refuse Bins	21,746	15,000	8,500	15,600	17,160	18,705
1140	Refuse Tip Site-External	2,006,864	2,500,000	1,950,000	2,600,000	2,730,000	2,975,700
1150	Relocation Expenses	50,781	100,000	50,000	80,000	86,400	94,176
1151	Relief/Charitable Expenses	76,456	95,000	189,708	85,000	92,650	100,062
1155	Rent-Accommodation	977,342	1,430,328	1,291,974	1,863,250	1,975,044	2,113,298
1156	Rental Land:Yacht Club	-	-	-	-	-	-
1166	Sanitec Toilets	83,717	80,000	40,000	40,000	43,200	47,088
1180	Servitudes	7,974	5,000	6,470	5,500	5,775	6,122
1200	Sport Centre Assistance	-	-	-	-	-	-
1210	Street Lighting	1,958,990	1,500,000	1,934,915	1,925,000	2,079,000	2,182,950
1211	Study Loans	-	-	-	-	-	-
1215	Subscriptions	932,346	1,018,207	1,318,290	1,660,216	1,793,034	1,918,546
1220	Sundries	73,722	160,000	351,415	127,193	139,588	143,403
1225	Survey Costs	38,181	70,000	33,000	40,000	44,000	47,960
1230	Telephones & Communication	1,374,545	1,895,645	1,357,951	1,415,670	1,585,549	1,728,245
1235	Testing of Samples-Food	-	-	-	-	-	-
1240	Testing of Samples-Water	20,216	55,100	44,725	43,700	43,700	47,196
1245	Training	892,231	908,500	908,500	602,000	602,000	638,120
1250	Transfer Fees-HSG Subs Scheme	119,486	72,800	72,800	130,000	140,400	140,400
1255	Transfer Return Fee-Deeds Offi	51,858	105,000	86,000	101,000	108,070	116,716
1260	Translation Services	89,433	200,000	180,000	210,000	226,800	247,212
1261	Transp-Comm Members to Meeting	8,900	25,000	10,000	15,000	16,050	17,174
1265	Transport-Labourers	-	-	-	-	-	-
1270	Travelling & Subsistence	434,672	367,850	434,205	445,900	486,031	529,778
1271	Tow-In of Vehicles	31,627	55,000	45,000	55,000	56,650	60,616
1272	Unamortised Discount on loans	18,019	9,609	9,609	-	-	-
1273	Union Representatives	138,804	188,990	143,990	207,889	209,968	228,865
1274	Unamortised Discount on Stock loans	-	-	-	-	-	-
1281	Ward Committees	62,218	125,000	109,650	114,035	175,439	175,439
1293	Youth Development	240,417	150,000	150,000	159,000	162,180	173,533
1295	Wreaths and Bouquets	10,826	13,000	20,000	13,500	14,175	15,167
1300	Water rural Areas	117,590	400,000	200,000	500,000	525,000	572,250
SUB-TOTAL		156,085,992	110,768,564	131,215,567	107,089,901	93,706,969	118,065,842

ITEM CODE	ITEM	2010-11	2011-12		2012-2013 BUDGET	2013-2014 BUDGET	2014-2015 BUDGET
		ACTUAL	BUDGET	ADJUSTED BUDGET			
22 Repairs & Maintenance - Municipal Assets							
1412	Beaches-Embarkments/Amenities	279,366	200,000	350,000	180,000	192,600	208,008
1414	Boreholes	-	20,000	-	20,000	21,600	23,544
1415	Buildings	3,659,113	3,190,133	3,131,744	3,554,344	3,696,517	3,955,273
1425	Computer Equipment & Software	1,300,219	1,854,650	2,068,300	2,074,700	2,219,929	2,419,726
1430	Cleaning/Clearing Infrastruc.	1,464,514	1,400,500	1,306,895	2,051,700	2,133,768	2,261,795
1431	Deforestation	286,260	1,250,000	2,213,740	1,750,000	-	-
1432	Disaster Management	-	75,000	75,000	-	-	-
1435	Dumping Site	795,859	600,000	672,585	650,000	702,000	758,160
1440	Electricity Infrastructure	2,347,719	2,350,000	2,620,228	2,495,500	2,620,275	2,777,492
1441	Electricity Efficiency	2,429,065	4,000,000	3,294,061	-	-	-
1445	Electricity Street Lighting	478,670	500,000	700,000	700,000	756,000	824,040
1450	Fencing	545,305	570,450	448,956	521,260	542,110	574,636
1455	Fire Hydrants & Markers	9,521	12,000	5,000	12,000	12,960	13,997
1460	Fire Extinguish-Test & Refill	34,623	81,000	66,000	76,200	81,534	89,688
1465	Grounds and Gardens	291,452	457,000	1,224,000	906,200	960,572	1,018,207
1470	Hiking Trails	17,011	20,000	25,500	27,000	29,160	30,618
1480	Mapping & Survey	58	20,000	20,000	20,000	21,600	23,112
1485	Meters	415,528	610,000	360,235	780,000	834,600	901,368
1490	Office Furniture & Equipment	32,616	70,025	61,350	74,200	78,652	88,089
1500	Plant,Mach,Tools & Equipment	1,005,119	1,490,725	1,536,914	1,547,000	1,624,350	1,721,813
1505	Playground Apparatus	53,677	63,800	74,800	64,560	69,079	73,915
1507	Purification Works	9,727	8,000	8,000	39,000	41,340	44,234
1508	Pump Electrical	341,133	560,500	620,872	616,500	653,490	699,235
1510	Pumps Mechanical	653,910	902,500	1,060,365	987,500	1,056,625	1,120,024
1512	Pumpstation	382,040	340,000	315,465	360,000	385,200	408,312
1515	Pipeline Mains	593,842	750,000	850,000	850,000	892,500	963,900
1525	Refuse Bins	-	10,000	-	1,000	1,100	1,199
1535	Sewerage Infrastructure	355,105	550,000	500,000	1,000,000	1,080,000	1,177,200
1540	Streets-General Repairs	3,003,003	3,047,500	3,875,820	3,244,366	3,406,585	3,713,178
1545	Rehabilitation River Mouths	-	1,000,000	2,000,000	-	-	-
1550	Streets-Resealing	2,011,201	9,062,500	8,792,500	9,862,500	10,290,000	11,010,300
1555	Stormwater Drains	962,691	550,000	900,000	1,000,000	1,070,000	1,134,200
1560	Telecommunication	11,149	33,800	24,000	25,700	27,242	29,150
1565	Telemetric System	239,440	248,000	226,975	253,000	263,120	281,538
1570	Traffic Lights & Signs	330,326	420,000	390,000	550,000	588,500	623,810
1575	Signs & Signboards	156,941	169,500	188,500	174,300	184,758	199,538
1580	Vehicles	2,497,710	2,623,700	3,558,823	2,964,000	3,171,480	3,393,487
1585	Water Infrastructure	1,119,042	1,300,000	1,260,000	2,880,000	3,081,600	3,328,128
1586	Water Leakages	84,650	250,000	100,000	100,000	106,000	113,420
1590	Water Reservoirs & Dams	421,568	650,000	500,000	480,000	518,400	544,320
1599	Flood Damage:S/Water-Fill Dong	-	350,000	350,000	-	-	-
SUB-TOTAL		28,619,171	41,661,283	45,776,628	42,892,530	43,415,246	46,548,654
24 Depreciation - Property, Plant & Equip							
1655	Deprec.-Infrastructure Assets	-	-	-	-	-	-
1660	Deprec.-Community Assets	-	-	-	-	-	-
1670	Deprec.-Other Assets	30,909,815	37,192,699	38,270,334	47,573,602	52,393,390	55,556,982
1675	Deprec.-Specialised Vehicles	-	-	-	-	-	-
SUB-TOTAL		30,909,815	37,192,699	38,270,334	47,573,602	52,393,390	55,556,982
26 Depreciation - Leased Property Plant & E							
1705	Depreciation - Leased Infrastr	-	-	-	-	-	-
1730	Depreciation - Leased Other As	1,291,527	1,015,549	1,157,288	1,116,655	925,748	522,038
SUB-TOTAL		1,291,527	1,015,549	1,157,288	1,116,655	925,748	522,038
27 Amortisation - Intangible Assets							
1750	Amortisation - Intangible Asse	19,618	89,583	14,027	13,999	14,051	14,013
SUB-TOTAL		19,618	89,583	14,027	13,999	14,051	14,013
28 Interest Expense - External Borrowings							
1775	Interest-External Borrowings	385,436	3,276,336	1,390,268	2,840,014	2,613,739	2,454,502
1780	Interest on Internal Funds	310,028	309,958	309,958	109,078	114,532	121,404
SUB-TOTAL		695,464	3,586,294	1,700,226	2,949,092	2,728,271	2,575,906
30 Disposal Of Property, Plant & Equipment							
1810	Loss on Disposal of P,P&E	698,848	50,000	169,150	128,000	128,000	128,000
1815	Loss on Disposal of Land	236,791	50,000	250,000	220,000	220,000	220,000
SUB-TOTAL		935,639	100,000	419,150	348,000	348,000	348,000

ITEM CODE	ITEM	2010-11	2011-12		2012-2013 BUDGET	2013-2014 BUDGET	2014-2015 BUDGET
		ACTUAL	BUDGET	ADJUSTED BUDGET			
34 Contributions To / From Provisions & Res							
1854	Alien Vegetation Provision	-	-	-	1	1	1
1855	Capital Replacement Reserve	-	-	-	-	-	-
1857	Bad Debt Provision	18,447,599	12,860,135	12,860,135	14,000,000	14,700,000	15,435,000
1859	External Financing Fund	-	-	-	-	-	-
1862	Illegal Dumping Provision	-	-	-	-	-	-
1863	Insurance Reserve	-	-	-	-	-	-
1864	Landfill Tip Sites	-	-	-	-	-	-
1865	Leave Gratuity Provision	3,166,703	2,715,630	2,715,630	1,380,446	1,504,686	1,625,061
1867	Long Service Bonus Provision	1,406,119	1,521,780	1,521,780	1,538,801	1,661,905	1,806,491
1870	Post Retirement Benefits	10,386,847	11,429,523	11,429,523	12,882,709	14,042,153	15,362,115
1875	Tourism Reserve	-	-	-	-	-	-
1880	Valuation Reserve Fund	-	-	-	-	-	-
SUB-TOTAL		33,407,268	28,527,068	28,527,068	29,801,957	31,908,745	34,228,668

44 Interdepartmental Charges And Recoveries							
1940	Admin-Internal Charges (DR)	19,146,744	21,660,572	21,660,572	22,074,276	24,502,444	26,952,692
1945	Admin-Internal Recovery (CR)	(19,146,744)	(21,660,572)	(21,660,572)	(22,074,276)	(24,502,447)	(26,952,693)
1950	Stores-Handling Charges	-	-	-	-	-	-
1955	Veh & Equip-Intnl Recovery (CR)	(264)	-	(1,126)	-	-	-
1956	Recoverable Expenditure (Cr)	(718,632)	(351,400)	(475,542)	(511,000)	(485,450)	(451,470)
SUB-TOTAL		(718,896)	(351,400)	(476,668)	(511,000)	(485,453)	(451,471)

48 Other Adjustments & Transfers [Appropria							
1995	Trfr-Equitable Share	26,010,870	30,970,034	27,231,873	33,516,460	34,769,280	38,164,800
1996	Trfr-Transformation Funds	-	-	-	-	-	-
1997	Trfr. Ext Serv. Contr. to CRR	-	4,000,000	4,000,000	2,000,000	2,200,000	2,420,000
1998	Trfr. Land Sales To CRR	-	10,000,000	10,526,000	4,000,000	4,800,000	5,760,000
1999	Trfr. Parking Bay-Buy outs CRR	-	-	-	-	-	-
SUB-TOTAL		26,010,870	44,970,034	41,757,873	39,516,460	41,769,280	46,344,800

56 Property Rates							
2003	Assessm. Rates-Accom. Est.	(1,557,419)	(1,633,897)	(1,607,649)	(1,698,510)	(1,851,377)	(2,036,514)
2005	Assessm. Rates-Agricultural	(635,747)	(785,616)	(694,763)	(883,468)	(962,980)	(1,059,278)
2006	Assessm. Rates-Agricultural Business	(161,470)	(185,873)	(165,995)	(249,678)	(272,149)	(299,364)
2010	Assessm. Rates-Comm/Indus.	(12,397,749)	(12,962,060)	(12,918,629)	(15,853,695)	(17,332,889)	(19,123,776)
2015	Assessm. Rates-Municipal	-	-	-	-	-	-
2020	Assessm. Rates-Residential	(51,538,388)	(58,600,698)	(59,238,214)	(62,719,922)	(68,783,610)	(76,093,957)
2025	Assessm Rates-State	-	(150,000)	(300,055)	(365,450)	(398,340)	(438,174)
2027	Assessm. Rates-Vleesbaai	(305,919)	(354,618)	(347,875)	(354,350)	(386,240)	(424,864)
2030	Building Clause	-	-	-	-	-	-
2035	Prop. Rates-Lease Agreements	(1,438)	(1,500)	(1,000)	(1,500)	(1,500)	(1,500)
SUB-TOTAL		(66,598,131)	(74,674,262)	(75,274,180)	(82,126,573)	(89,989,085)	(99,477,427)

58 Penalties Imposed And Collection Charges							
2045	Interest on Arrear Rates	(2,072,580)	(2,100,000)	(1,750,000)	(2,000,000)	(2,100,000)	(2,247,000)
SUB-TOTAL		(2,072,580)	(2,100,000)	(1,750,000)	(2,000,000)	(2,100,000)	(2,247,000)

62 Service Charges							
2060	Blocked Drains	(18,631)	(28,000)	(22,545)	(30,000)	(33,000)	(36,630)
2065	Building Plan Fees	(2,113,889)	(3,000,000)	(3,000,000)	(3,500,000)	(3,780,000)	(4,120,200)
2070	Call-Out Fees	(15,640)	(1,500)	(45,990)	(50,500)	(55,550)	(59,994)
2075	Camping Fees	(4,608,263)	(5,200,000)	(5,300,000)	(5,900,000)	(6,431,000)	(7,009,790)
2080	Cemetery Fee-Burials	(169,745)	(188,100)	(220,688)	(199,000)	(216,910)	(234,263)
2085	Cemetery Fee-Erect Tombstone	(3,776)	(5,000)	(5,092)	(5,000)	(5,500)	(5,995)
2090	Circuit Breaker-Repl/Upgrade	-	(1,000)	(1,000)	-	-	-
2094	Clearance Application	(24,737)	(25,000)	(128,223)	(130,000)	(137,800)	(148,824)
2095	Connection Fee-New Property	(1,653,480)	(3,790,000)	(3,593,563)	(3,350,000)	(3,517,500)	(3,728,550)
2100	Connection Fee-Recon Exist Pro	(9,707)	(15,000)	(9,170)	(12,000)	(12,720)	(13,102)
2105	Temporary Connections	-	-	-	-	-	-
2110	Dumping of Building Rubble	(23,049)	(35,000)	-	-	-	-
2115	Electr. Availability Fees	(5,540,998)	(6,392,148)	(6,028,620)	(6,800,000)	(7,400,000)	(7,600,000)
2120	Electr. Sales- Credit meters	(141,869,013)	(173,016,969)	(170,700,673)	(189,070,774)	(207,818,891)	(230,741,314)
2125	Electr. Sales-Prepaid Meters	(68,020,110)	(77,000,000)	(76,316,296)	(86,317,611)	(95,838,443)	(107,177,796)
2130	Fire Brigade Fees	(73,028)	(100,000)	(95,728)	(90,000)	(91,800)	(95,472)
2135	Gate Fees	(101,260)	(45,000)	(95,000)	(60,000)	(64,200)	(69,336)
2140	Hiring of Plants	(343)	-	(360)	-	-	-
2145	Inspection Fees	(1,561)	(9,600)	(3,600)	(2,300)	(2,530)	(2,884)
2150	Land Usage Fee-Granny Flats	(219,221)	(100,000)	(200,000)	(220,000)	(242,000)	(261,360)
2155	Land Usage Fee-Lift Restrict	(6,316)	(7,500)	(5,000)	(8,000)	(9,200)	(9,936)
2160	Land Usage Fee-Rez/Dep/Cons	(147,189)	(125,000)	(150,000)	(150,000)	(159,000)	(171,720)
2165	Land Usage Fee-Subdivisions	(9,184)	(12,000)	(15,000)	(15,000)	(15,600)	(16,536)
2170	Land Usage Fee-Zoning Cert.	(11,995)	(11,000)	(10,885)	(15,000)	(16,200)	(17,658)

ITEM CODE	ITEM	2010-11	2011-12		2012-2013	2013-2014	2014-2015
		ACTUAL	BUDGET	ADJUSTED BUDGET	BUDGET	BUDGET	BUDGET
2175	Lost Books-Library	(6,034)	(14,250)	(6,915)	(14,000)	(14,980)	(16,327)
2180	Membership Fees	-	-	-	-	-	-
2190	Photostatic Copies	(31,419)	(25,200)	(32,047)	(33,500)	(36,515)	(38,706)
2195	Pound Fees	(65,470)	(45,000)	(53,925)	(60,000)	(66,600)	(74,592)
2200	Refuse Removal Charges	(31,646,361)	(35,294,396)	(35,266,634)	(38,530,419)	(43,649,618)	(49,442,587)
2201	Refill Charges - Fire Exting.	(39)	-	-	-	-	-
2205	Special Removals	(5,056)	(9,900)	(3,000)	(8,000)	(8,960)	(9,677)
2210	Roads & Pavement-Access/Repair	(1,959)	(5,000)	(5,000)	(5,000)	(5,350)	(5,832)
2215	Sale of Magazines	-	-	-	-	-	-
2220	Sale of Prepaid Cards	-	-	-	-	-	-
2225	Sale of Prints	(35,712)	(32,500)	(48,695)	(50,300)	(55,330)	(60,310)
2230	Sale of Refuse Bags	-	-	-	-	-	-
2235	Sale of Refuse Bins	-	(1,650)	-	(1,800)	(2,016)	(2,238)
2238	sales-tender documents	(64,762)	(100,000)	(85,262)	(80,000)	(84,800)	(87,344)
2240	Sale of Trees and Ferns	(463,069)	(30,000)	(15,000)	(20,000)	(21,800)	(24,198)
2250	Search Fees	-	(500)	(50)	-	-	-
2255	Sewerage Availability Fees	(3,500,929)	(3,885,168)	(3,680,432)	(3,800,865)	(3,850,000)	(3,900,000)
2260	Sewerage Charges	(47,194,031)	(50,965,719)	(52,067,523)	(52,545,366)	(52,623,210)	(52,901,053)
2265	Sewerage Charges-Industrial	(597,235)	(830,000)	(830,000)	(900,000)	(981,000)	(1,069,290)
2270	Testing of Meters	(12,992)	(13,000)	(11,799)	(14,500)	(15,660)	(16,913)
2275	Traffic Escorting Fees	(20,608)	(30,000)	(28,275)	(34,000)	(37,740)	(43,024)
2280	Valuation Certificates	(83,024)	(80,000)	(120,000)	(100,000)	(109,000)	(119,900)
2283	Water Availability Fees	(4,895,633)	(5,680,270)	(5,356,846)	(6,248,417)	(6,873,259)	(7,560,585)
2290	Water Charges	(62,159,607)	(69,910,451)	(66,000,000)	(83,214,777)	(92,000,000)	(102,000,000)
2291	Water Charges:Purified Water	-	-	-	-	-	-
SUB-TOTAL		(375,425,078)	(436,060,821)	(429,558,836)	(481,586,129)	(526,283,682)	(578,893,936)

66 Rent of Facilities and Equipment

2305	Advertisements	(26,241)	(26,000)	(27,670)	(30,500)	(32,635)	(35,246)
2330	Encroachment Fees	(2,708)	(2,800)	(2,800)	(2,800)	(3,220)	(3,735)
2350	Hire-Comm Hall:Boggoms Bay	(1,385)	(1,750)	(2,500)	(1,500)	(1,680)	(1,898)
2355	Hire-Comm Hall:D'Almeida	(22,169)	(40,000)	(40,000)	(45,000)	(51,750)	(57,960)
2360	Hire-Comm Hall:Dana Bay	(3,751)	(13,000)	(6,500)	(7,000)	(7,840)	(8,467)
2361	Hire-Comm Hall:Friemersheim	(2,115)	(2,000)	(2,000)	(2,000)	(2,000)	(2,080)
2365	Hire-Comm Hall:Great Brak	(6,158)	(15,000)	(7,000)	(10,000)	(11,300)	(12,995)
2370	Hire-Comm Hall:Joe Slovo	(9,211)	(5,000)	(5,000)	(5,000)	(5,600)	(6,440)
2375	Hire-Comm Hall:Kwanonqaba	(16,527)	(15,000)	(15,000)	(16,000)	(18,880)	(21,901)
2380	Hire-Comm Hall:Little Brak	(8,203)	(10,000)	(9,000)	(10,000)	(11,000)	(12,320)
2385	Hire-Comm Hall:Rheebok	(10,076)	(12,000)	(6,000)	(7,000)	(7,840)	(8,702)
2386	Hire-Comm Hall:Sonskynvallei	(838)	(2,000)	(1,000)	(1,000)	(1,140)	(1,277)
2387	Hire-Indoor Sport Centre	(17,109)	(15,000)	(15,000)	(16,000)	(18,240)	(20,976)
2390	Hire-Library Hall	(25,194)	(27,000)	(23,165)	(28,500)	(31,350)	(35,739)
2395	Hire-Sportgrounds	(22,492)	(30,000)	(22,122)	(31,000)	(34,100)	(38,192)
2400	Hire-Town Hall	(117,417)	(100,000)	(100,000)	(110,000)	(121,000)	(133,100)
2405	Hire-Van Riebeeck Stadium Fac.	(16,327)	(17,000)	(24,480)	(18,000)	(20,160)	(22,176)
2410	Hire-Voortrekker Hall	(361)	(1,000)	(500)	-	-	-
2430	Rental-Bakke Restaurant	-	-	-	-	-	-
2435	Rental-Chalets	(2,099,198)	(2,500,000)	(2,100,000)	(2,500,000)	(2,825,000)	(3,164,000)
2436	Rental -Carport Levies	(18,993)	(17,000)	(19,815)	(20,000)	(22,000)	(24,860)
2440	Rental-Comm Grounds & Other	(742,214)	(600,000)	(948,835)	(848,097)	(924,426)	(1,063,090)
2441	Rental Compong	(25,448)	(25,627)	(25,627)	(27,165)	(29,882)	(32,273)
2448	Rental - Good Shed	-	-	-	(150,000)	(162,000)	(174,960)
2450	Rental-Hawkers Sites	(178,743)	(150,000)	(190,000)	(190,000)	(205,200)	(223,668)
2455	Rental-Houses	(55,441)	(47,355)	(47,355)	59,110	65,021	70,873
2460	Rental-Information Centre	-	-	-	-	-	-
2465	Rental-Letting Housing	-	-	-	-	-	-
2470	Rental-Poort Restaurant	(13,491)	(14,000)	(15,000)	(16,325)	(17,631)	(19,218)
2475	Rental-Putt-Putt Course	(10,557)	(12,000)	(15,578)	(16,615)	(16,615)	(16,615)
2480	Rental-D. Council Buildings	(10)	-	(10)	-	-	-
2481	Rental - Refuse Bins	(205,700)	(226,270)	(226,270)	(248,897)	(273,787)	(298,428)
2484	Rental-Usage of Sidewalks	(7,675)	(15,000)	(4,010)	(4,000)	(4,200)	(4,494)
2485	Rental-Sundries	(355,933)	(305,000)	(379,480)	(325,755)	(364,846)	(415,925)
2486	Rental-Yacht Club	-	-	-	-	-	-
SUB-TOTAL		(4,021,686)	(4,246,802)	(4,281,717)	(4,629,044)	(5,160,301)	(5,789,862)

68 Interest Earned - External Investments

2500	Int. on Investm-Current Acc.	(1,589,291)	(1,200,000)	(1,320,000)	(1,500,000)	(1,515,000)	(1,393,800)
2505	Int. on Investm-Short Term	(10,255,676)	(9,428,600)	(9,428,600)	(12,604,320)	(12,856,406)	(12,213,586)
SUB-TOTAL		(11,844,967)	(10,628,600)	(10,748,600)	(14,104,320)	(14,371,406)	(13,607,386)

72 Interest Earned - Outstanding Debtors

2525	Int on Outstanding Debtors	(20,493)	(15,000)	(15,000)	(11,400)	(11,856)	(11,500)
2526	Int on Outst. Housing Debtors	(321,810)	(330,050)	(288,905)	(280,000)	(296,800)	(284,928)
SUB-TOTAL		(342,303)	(345,050)	(303,905)	(291,400)	(308,656)	(296,428)

ITEM CODE	ITEM	2010-11	2011-12		2012-2013 BUDGET	2013-2014 BUDGET	2014-2015 BUDGET
		ACTUAL	BUDGET	ADJUSTED BUDGET			
76 Fines							
2545	Library Penalties	(51,719)	(47,750)	(33,986)	(50,750)	(54,303)	(58,647)
2553	Town Plan-Contravention Levy	(11,600)	(10,000)	(15,200)	(10,000)	(12,300)	(14,145)
2555	Traffic Fines	(3,491,615)	(5,200,000)	(5,305,152)	(6,000,000)	(7,200,000)	(8,640,000)
SUB-TOTAL		(3,554,934)	(5,257,750)	(5,354,338)	(6,060,750)	(7,266,603)	(8,712,792)

78 Licenses and Permits							
2565	Business Licence Fees	(3,077)	(1,650)	(1,650)	(2,000)	(2,440)	(2,879)
2570	Card Licences-Applications	(359,558)	(380,000)	(375,495)	(400,000)	(440,000)	(475,200)
2575	Drivers Licence-Learner Fees	(157,790)	(160,000)	(138,672)	(145,000)	(158,050)	(172,275)
2580	Drivers Licence-Test Fees	(620,233)	(650,000)	(561,990)	(580,000)	(626,400)	(682,776)
2585	Licence Fees-Boats	(4,450)	(1,000)	(5,000)	(1,000)	(1,040)	(1,082)
2590	Motor Vehicle Registrations	(3,217,085)	(3,500,000)	(3,360,000)	(3,600,000)	(3,960,000)	(4,474,800)
2595	Public Driving Permits	(83,892)	(85,000)	(106,565)	(110,000)	(118,800)	(127,116)
2600	Roadworthy Certificates	-	-	-	-	-	-
2605	Parking Meters	(2,027)	-	(3,535)	(2,500)	(2,500)	(2,500)
2610	Parking Bays-Buy Out	-	-	-	-	-	-
SUB-TOTAL		(4,448,112)	(4,777,650)	(4,552,907)	(4,840,500)	(5,309,230)	(5,938,628)

82 Grants & Subsidies Received - Operating							
2624	Subsidy-Community Units	-	-	(1,427,120)	-	-	-
2625	Subsidy-District Municipality	-	-	-	-	-	-
2626	Subsidy-Housing Trust Fund	-	(1,300,000)	(1,300,000)	(1,880,000)	-	-
2629	Subsidy-Province	(739,641)	(891,000)	(962,415)	(1,004,193)	(85,088)	(85,088)
2630	Subsidy-Province:Main Roads	-	(50,000)	(50,000)	(50,000)	-	-
2631	Subsidy:Province:Newsletters	(16,779)	(15,616)	(15,616)	(24,000)	(29,760)	(36,011)
2632	Subsidy:Prov.-Top Structures	(20,508,587)	(26,872,000)	(32,932,431)	(18,251,600)	(1,000,000)	(16,697,484)
2633	Subsidy Equitable Share	(34,232,731)	(36,942,000)	(36,942,000)	(42,495,000)	(45,755,000)	(49,973,000)
2635	Subs-State:Hlth Com.Serv.Clin.	-	-	-	-	-	-
2638	Subs-State:H/Primary Health	-	-	-	-	-	-
2639	Subs-State:H/Pew Feeding Sch.	-	-	-	-	-	-
2640	Subsidy-Other	(4,447,474)	(3,545,000)	(8,972,957)	(2,435,000)	(752,650)	(839,262)
2641	Subsidy-State:Transformation	-	-	-	-	-	-
2642	Subsidy-State:DORA	(4,050,654)	(5,965,000)	(5,150,638)	(1,871,930)	(1,971,930)	(2,203,509)
2645	Subsidy-State:H/Comprehensv	-	-	-	-	-	-
2650	Subsidy-State:H/Environment	-	-	-	-	-	-
SUB-TOTAL		(63,995,866)	(75,580,616)	(87,753,177)	(68,011,723)	(49,594,428)	(69,834,354)

83 Grants & Subsidies Received - Capital							
2655	Capital Grants-District Mun	(1,861,936)	-	-	-	-	-
2660	Capital Grants-Provincial	(6,005,228)	(15,686,891)	(28,867,666)	(27,746,102)	(16,483,158)	(1,659,674)
2665	Capital Grants-State	(116,123,364)	(17,132,000)	(21,638,913)	(18,387,316)	(16,752,631)	(23,371,929)
2670	Capital Grants-Other	(9,191,653)	-	(732,588)	-	-	-
SUB-TOTAL		(133,182,181)	(32,818,891)	(51,239,167)	(46,133,418)	(33,235,789)	(25,031,603)

84 Other Revenue							
2680	Access Provision - Bad debts	(42,595)	-	(25,000)	-	-	-
2685	Admin Costs Recovered	(123,084)	(75,000)	(148,419)	(102,500)	(112,750)	(126,280)
2687	Collection Costs Recovered	(3,330,435)	(3,500,000)	(2,500,000)	(3,250,000)	(3,575,000)	(3,968,250)
2688	Contr.from Transfer Even(HDF)	-	(6,669,082)	(8,336,949)	(4,539,097)	(5,274,678)	(5,589,063)
2689	Cont.from Ext. Serv (CRR)	(3,905,840)	(4,000,000)	(4,000,000)	(2,000,000)	(2,200,000)	(2,420,000)
2691	Contr. from Land Sales (CRR)	(2,117)	(10,000,000)	(10,526,000)	(4,000,000)	(4,800,000)	(5,760,000)
2693	Contr from Surplus (cash)	-	(9,300,000)	(9,300,000)	(7,500,000)	(9,315,000)	(9,330,000)
2695	Commission-Insurance Collect	(84,341)	(85,000)	(96,189)	(105,000)	(128,100)	(147,315)
2696	Housing Rental(Hous Dev Fund)	(22,504)	(22,560)	(22,560)	(23,914)	(28,219)	(31,887)
2697	Housing Instalments(Hous Dev)	(62,811)	(11,354)	(11,354)	(11,545)	(12,700)	(13,843)
2699	Public Contributions	-	-	(60,000)	-	-	-
2700	Fair Value Adjustment	(1,662,150)	-	(1,500,000)	-	-	-
2701	Promotional Material	-	-	(3,810)	(4,000)	(4,400)	(4,796)
2703	Festival Events	-	-	(5,000)	(5,000)	(5,500)	(5,995)
2704	Lease/Alienation of Mun.Land	-	-	(8,525)	(10,000)	(11,000)	(11,990)
2705	Discount on Purchases	-	-	-	-	-	-
2706	Insurance Claims	(1,101,330)	(306,600)	(611,100)	(140,500)	(148,930)	(156,379)
2707	Milk Powder	-	-	-	-	-	-
2708	Legal Costs	(154,630)	(200,000)	(235,015)	(116,000)	(127,600)	(139,084)
2709	Outdoor Advertising	(105,964)	(70,000)	(145,620)	(150,000)	(163,500)	(176,580)
2711	Lost Membership Cards	(863)	(500)	(1,705)	(500)	(520)	(546)
2715	Extension Costs-Waterworks	(232,800)	(232,800)	(232,800)	(232,800)	(232,800)	(232,800)
2716	Recoverable Income	-	(1,000)	(500)	(1,000)	(1,000)	(1,000)
2717	Retention monies-Unclaimed	(538,316)	(20,000)	(20,000)	(20,000)	(21,600)	(23,544)
2718	Reservation of Books	(170)	(500)	(700)	(500)	(520)	(546)
2720	Sale of Reduntant Inventory	(37,584)	(7,500)	(7,500)	(50,000)	(50,000)	(50,000)
2725	Sundries	(386,676)	(124,500)	(126,250)	(110,000)	(119,900)	(128,293)

ITEM CODE	ITEM	2010-11	2011-12		2012-2013 BUDGET	2013-2014 BUDGET	2014-2015 BUDGET
		ACTUAL	BUDGET	ADJUSTED BUDGET			
2730	Surplus Cash	(10,461)	(10,000)	(5,364)	(7,500)	(8,100)	(8,748)
2734	Payments received:WCA	(44,304)	(43,000)	(270,940)	(10,500)	(11,235)	(12,472)
2735	Stale Cheque	(73,120)	(40,000)	(40,000)	(40,000)	(43,200)	(47,088)
2736	Unidentified Deposits	(27,879)	(150,000)	(25,000)	(15,000)	(16,350)	(17,658)
2739	Unamortised Discount of Stock loans	(9,359)	(11,007)	(11,008)	(7,776)	(8,243)	(8,902)
2740	Unamortised Discount of Stock debtors	(51,611)	(45,088)	(45,088)	(36,221)	(38,394)	(41,466)
2741	Uncovering of meters	(136)	-	-	-	-	-
2742	Tampering with installation	(77,496)	(30,000)	(100,000)	(100,000)	(109,000)	(118,810)
2744	Unclaimed-Service Charges	(1,329)	-	(1,500)	(1,000)	(1,000)	(1,000)
2746	Penalties	(961,566)	-	(13,425)	(10,000)	(10,500)	(10,815)
2747	Watermeter Restricters	(154,842)	(100,000)	(210)	-	-	-
2748	Reduction in carrying amount of provision	(159,390)	-	-	-	-	-
2749	VAT - Conditional Grants	-	-	(3,283,323)	(2,407,754)	(2,523,439)	(3,468,562)
2750	VAT - Conditional Grants PAWC	-	-	(1,161,310)	(750,105)	(13,754)	(13,754)
SUB-TOTAL		(13,365,705)	(35,055,491)	(42,882,164)	(25,758,212)	(29,116,932)	(32,067,466)

85 Public Contr & Donated Property, Plant & Equipment

2743	Public Contributions	(66,536,867)	-	(6,121,100)	-	-	-
SUB-TOTAL		(66,536,867)	-	(6,121,100)	-	-	-

86 Gains on Disposal Of Property, Plant & Equipment

2755	Gain on Disposal of P,P & E	(19,920)	(8,500)	(43,500)	(22,500)	(27,000)	(33,750)
2756	Gain On Disposal of Land	-	-	-	-	-	-
SUB-TOTAL		(19,920)	(8,500)	(43,500)	(22,500)	(27,000)	(33,750)

88 Less Revenue Foregone

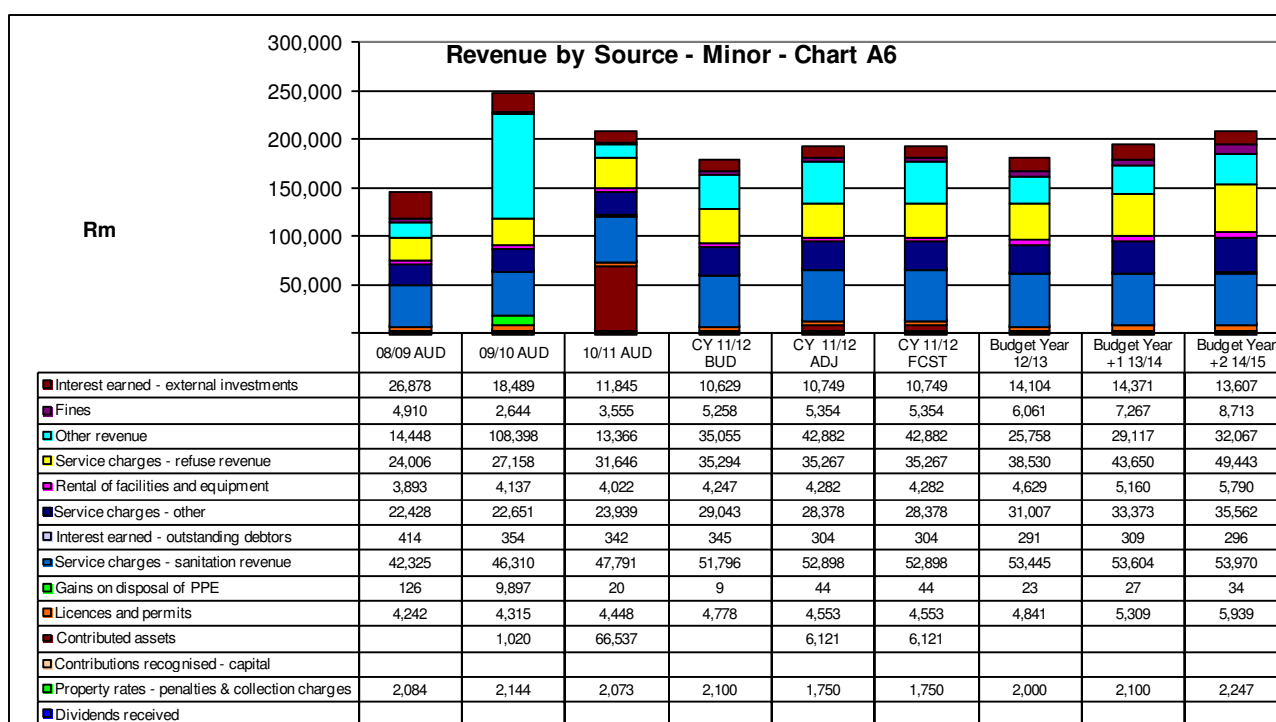
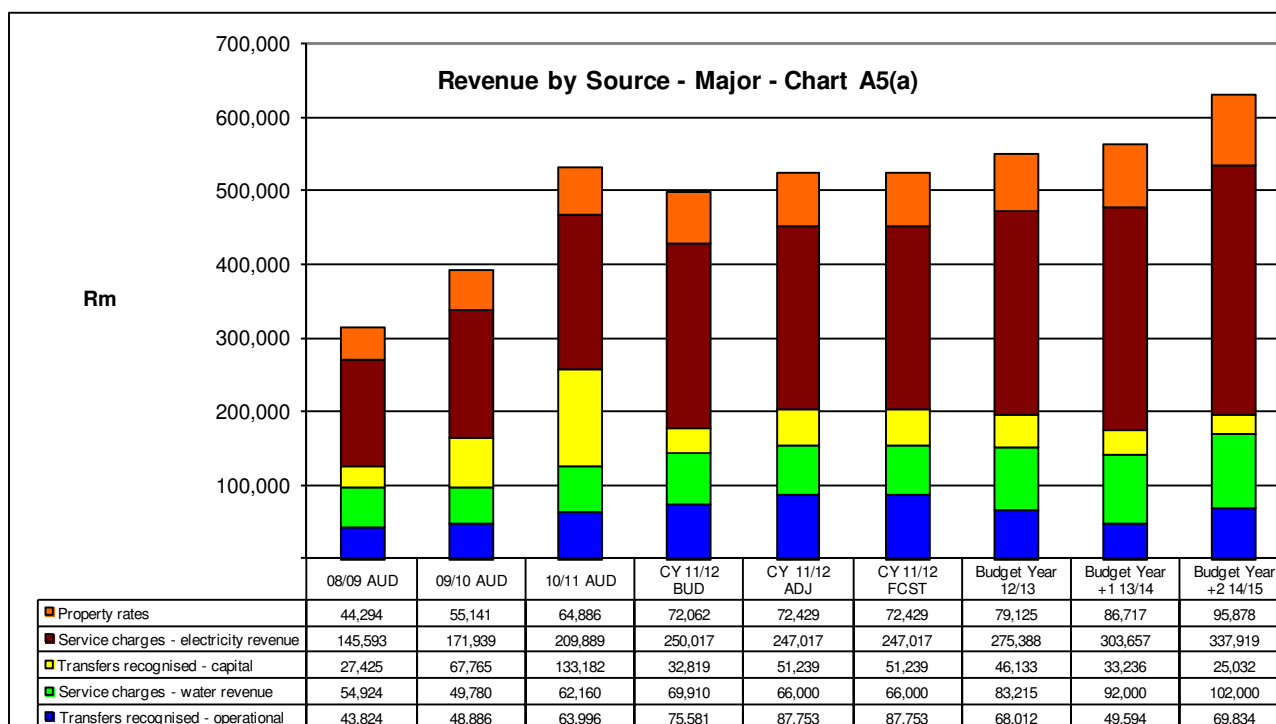
2770	Rates Rebate-Pensioners 50%	-	-	-	-	-	-
2775	Rates Rebate-Pensioners 30%	-	-	-	-	-	-
2780	Rates Rebates-Sect.17(1)(H)	2,053,142	2,303,829	2,400,000	2,590,463	2,823,605	3,105,966
2785	Rates Rebates-Other	(340,619)	308,027	445,000	411,524	448,561	493,417
SUB-TOTAL		1,712,524	2,611,856	2,845,000	3,001,987	3,272,166	3,599,383

TOTALS

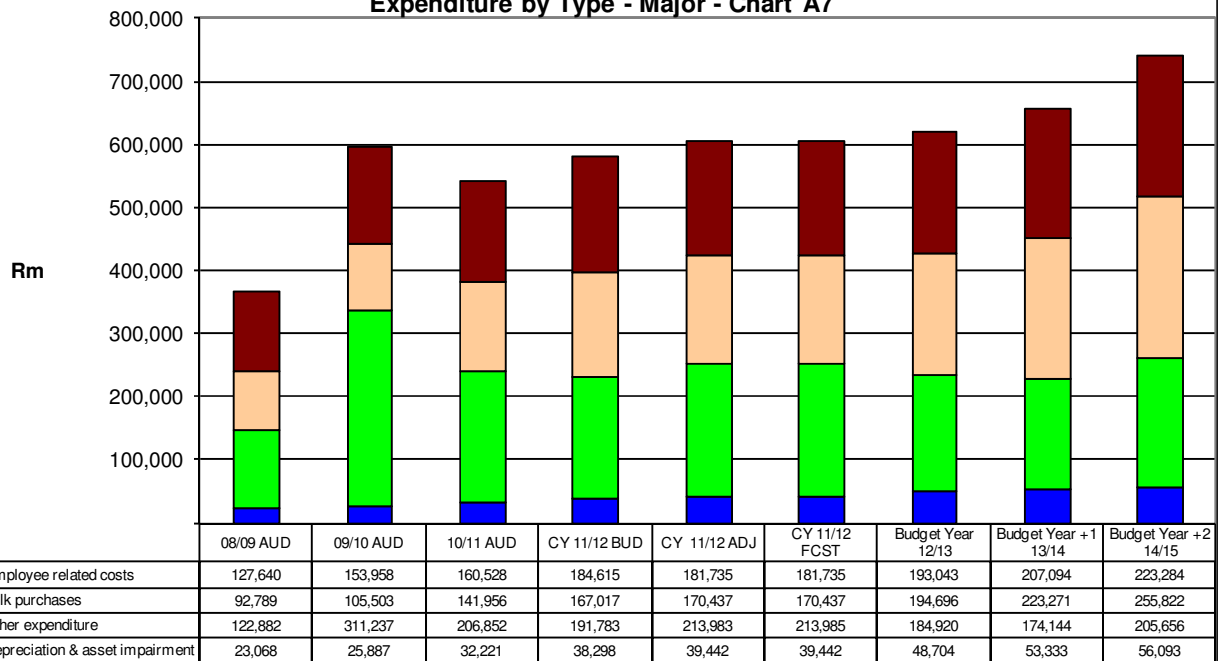
TOTAL EXPENDITURE	601,224,332	651,821,396	671,388,150	694,141,897	734,700,912	823,053,620
TOTAL INCOME	(743,695,803)	(678,942,577)	(717,018,591)	(732,562,582)	(759,490,946)	(838,331,249)
GRAND TOTAL	(142,471,471)	(27,121,181)	(45,630,441)	(38,420,685)	(24,790,034)	(15,277,629)

BUDGET RELATED CHARTS / GRAPHS

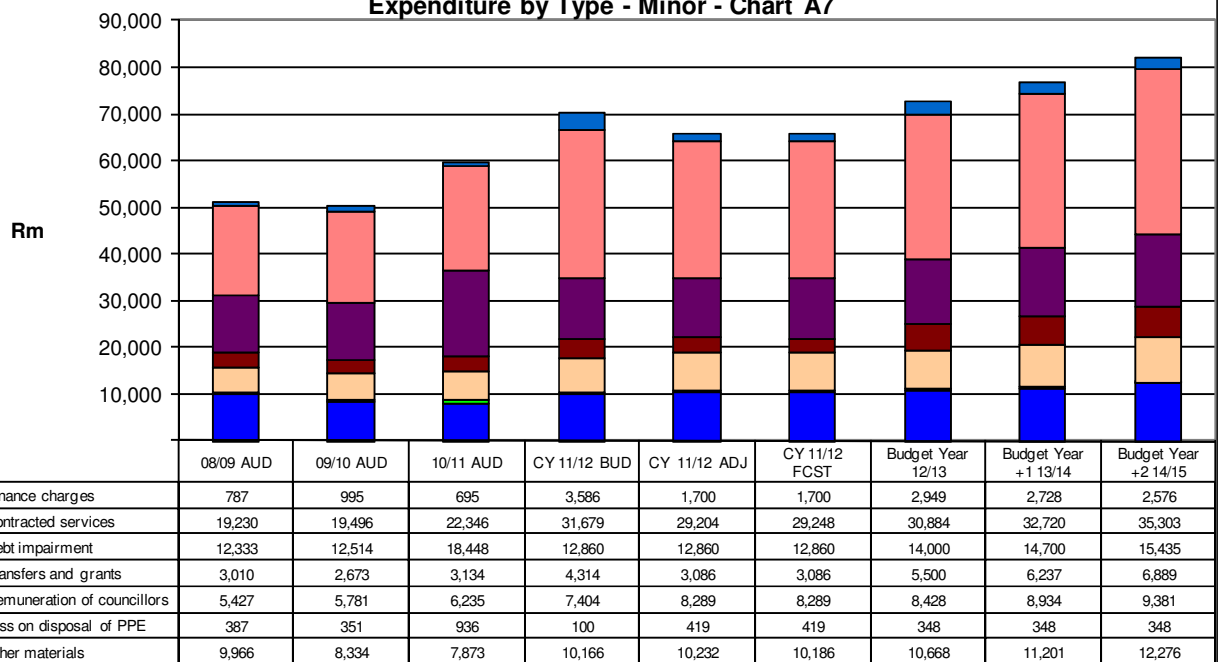
The following shows various charts and graphs on the **Operating budget** of the Municipality:

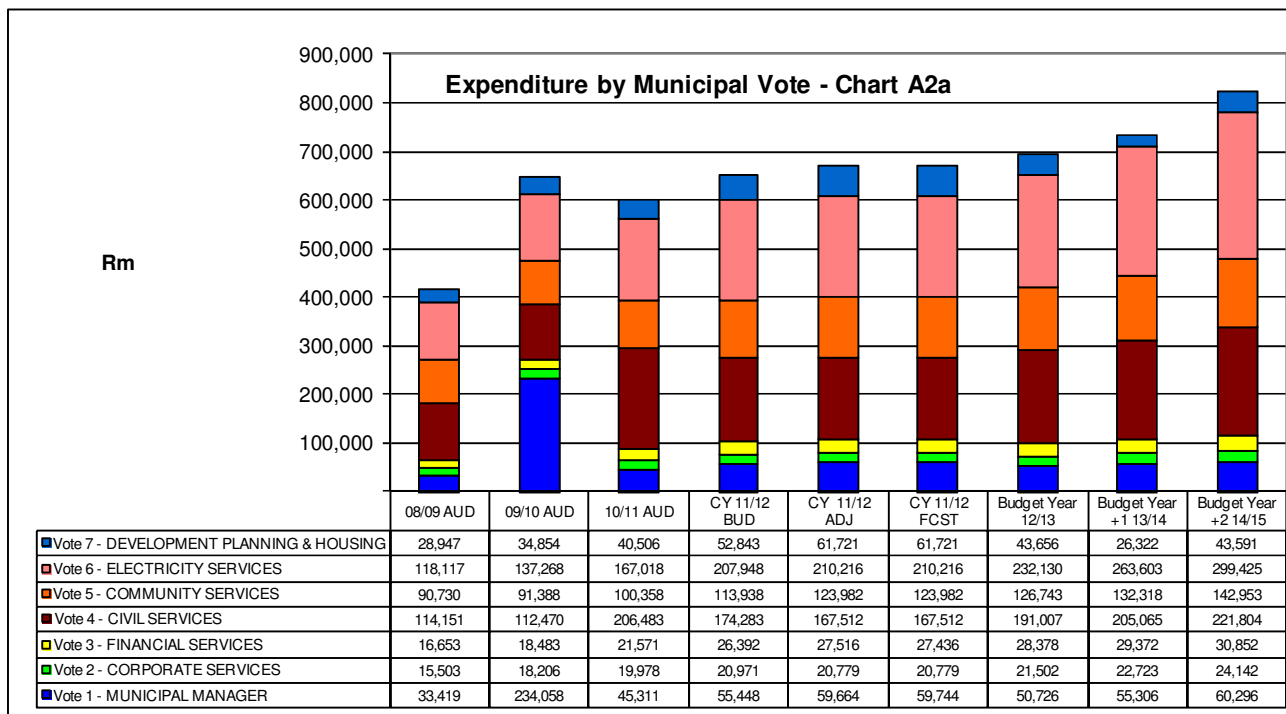
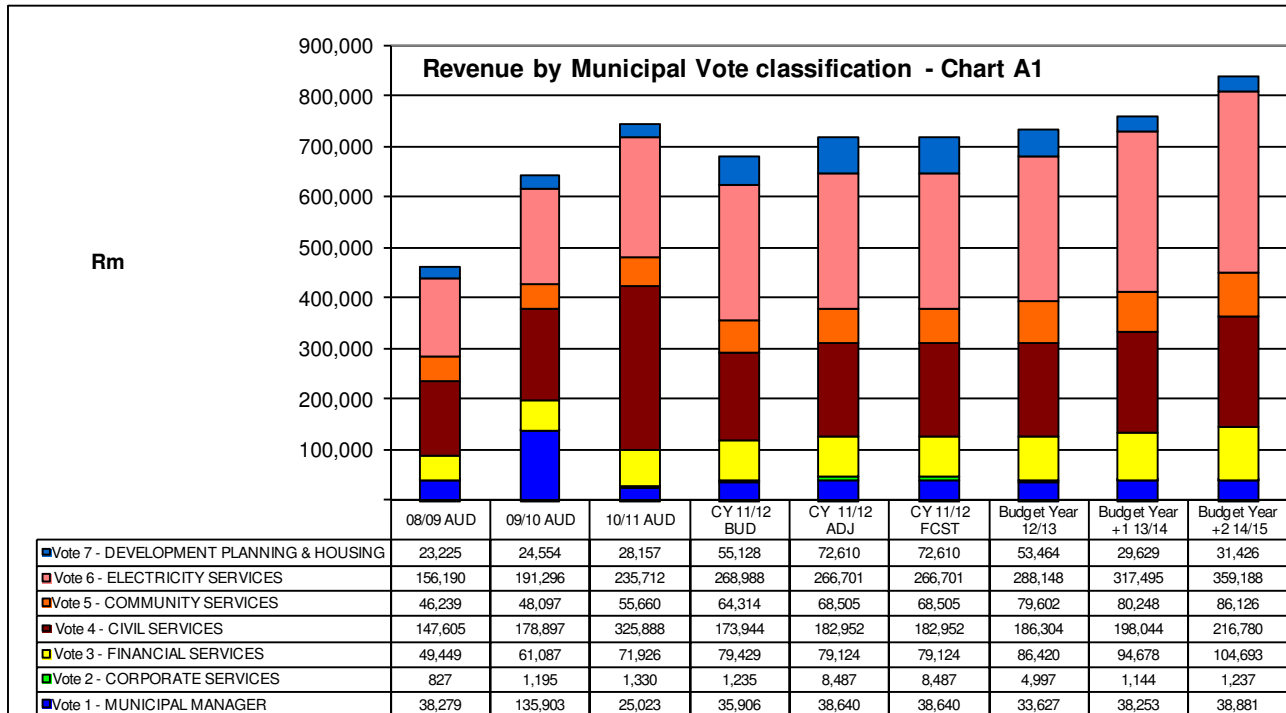


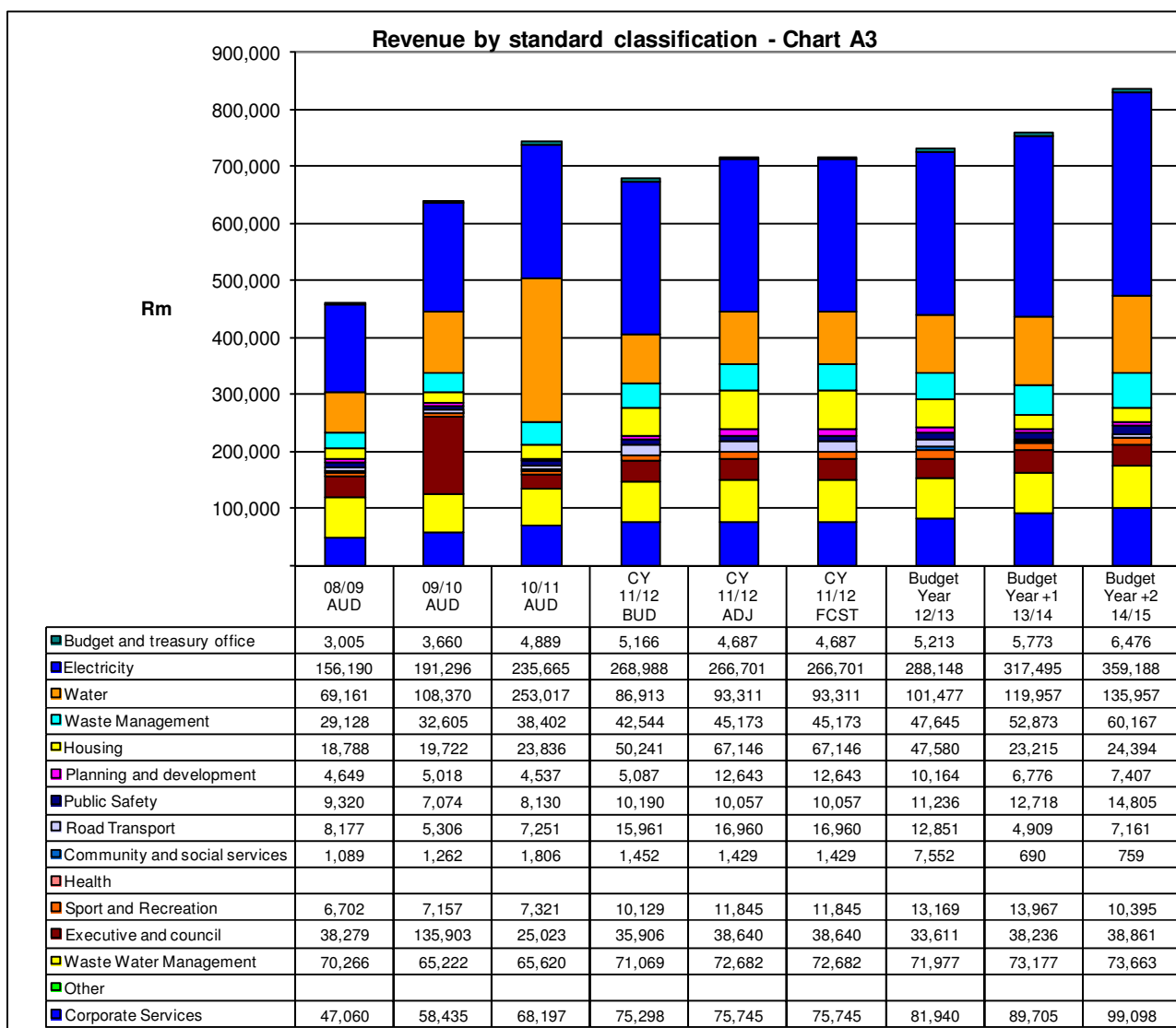
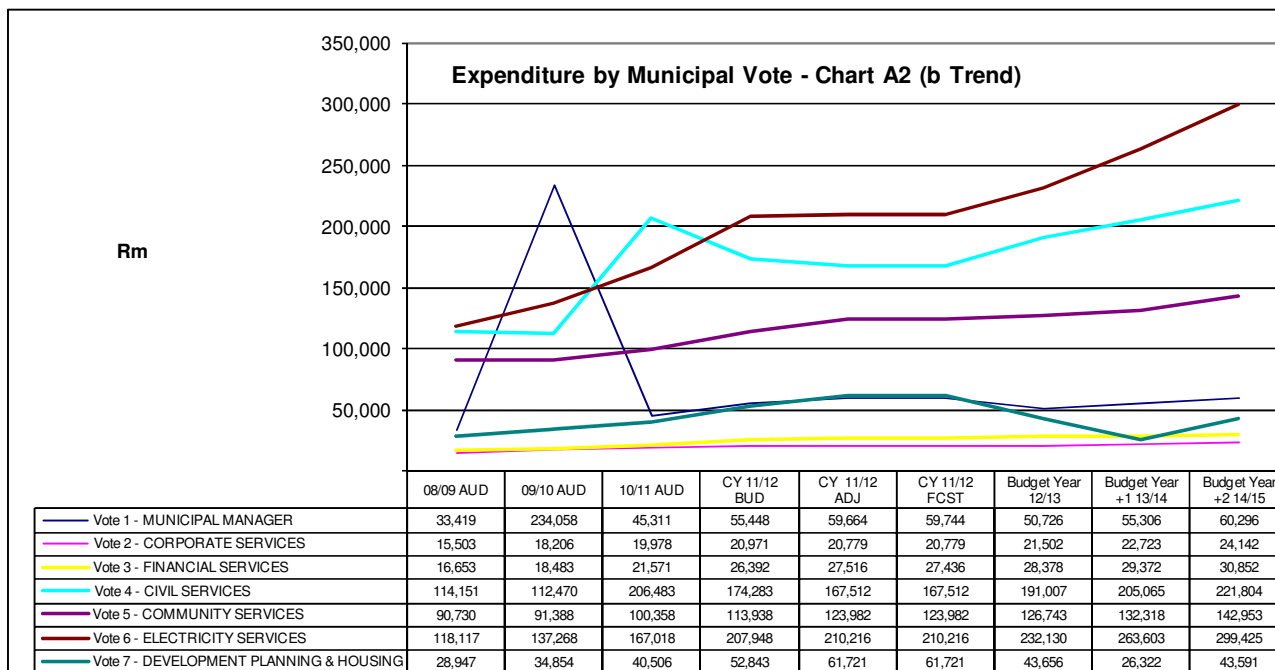
Expenditure by Type - Major - Chart A7

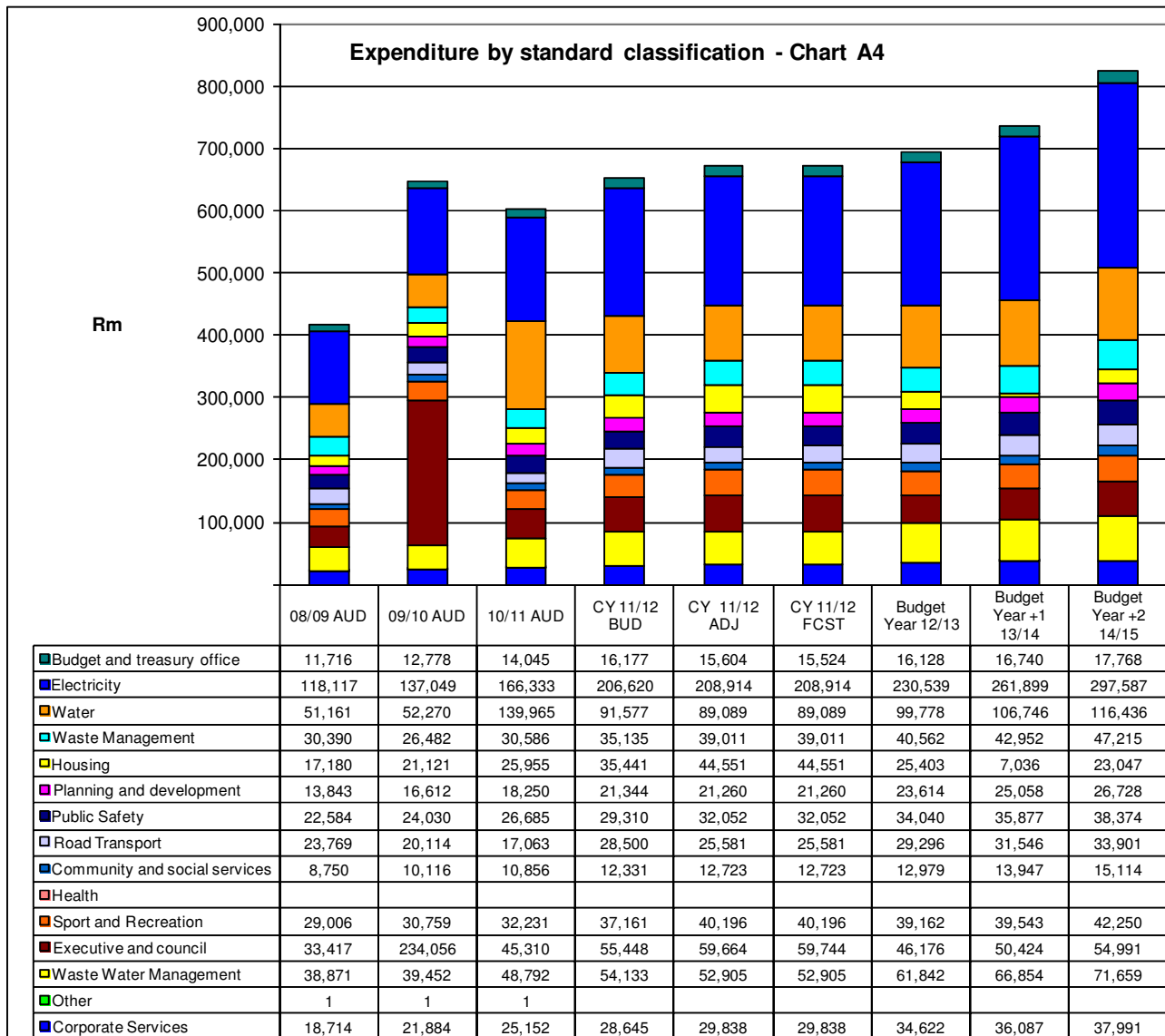


Expenditure by Type - Minor - Chart A7

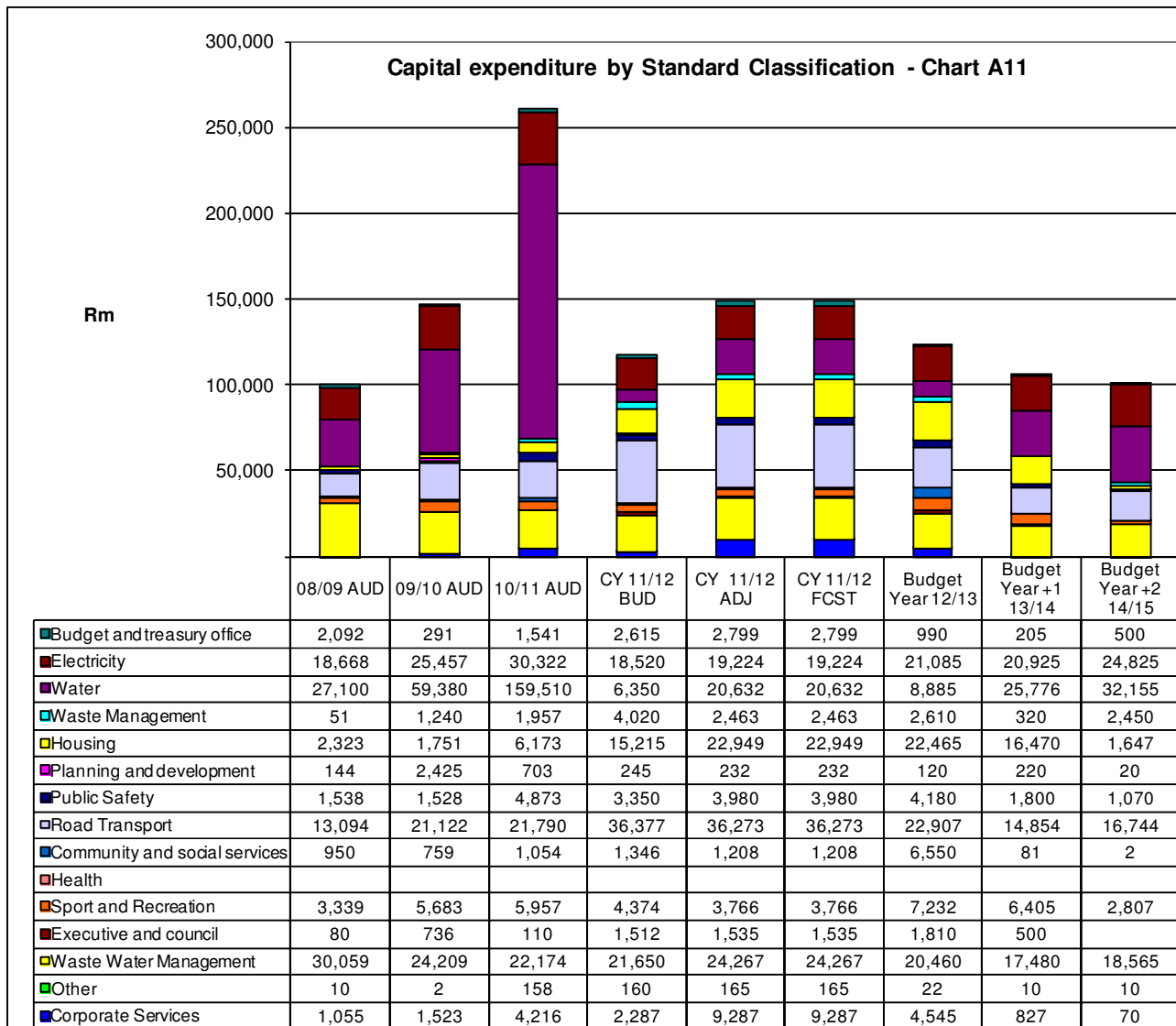


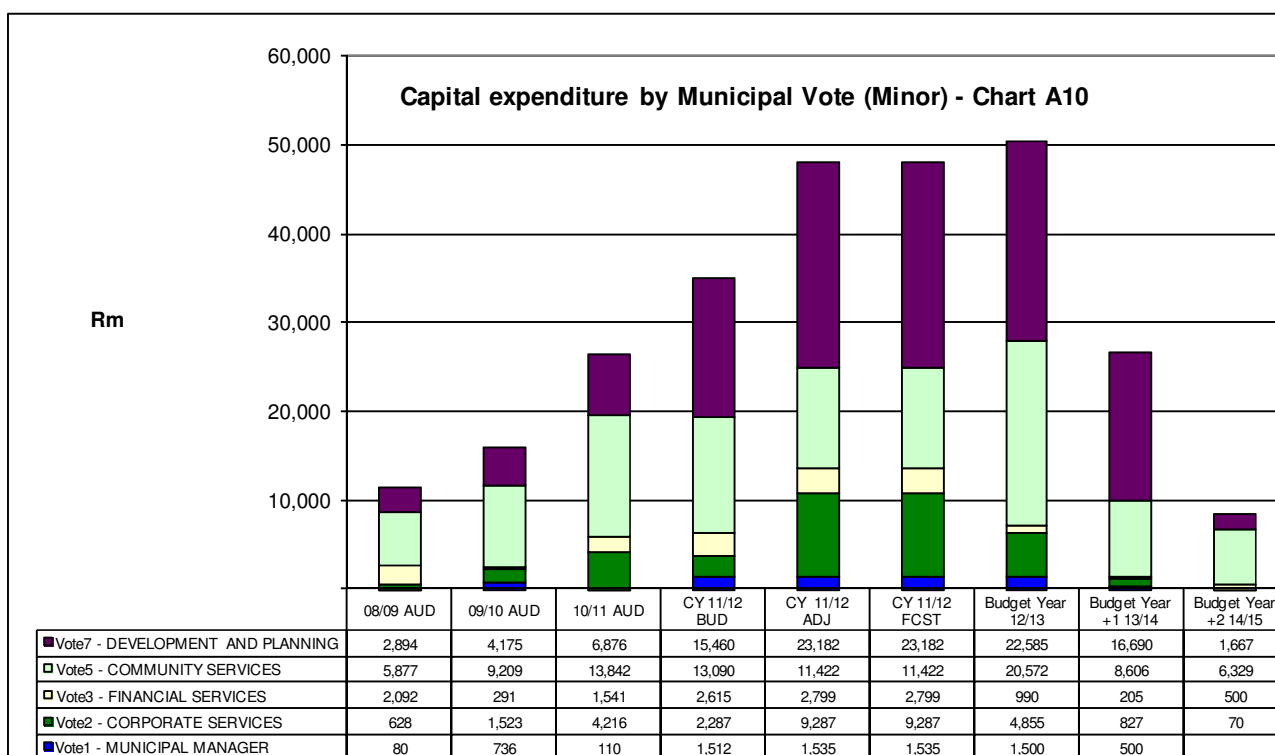
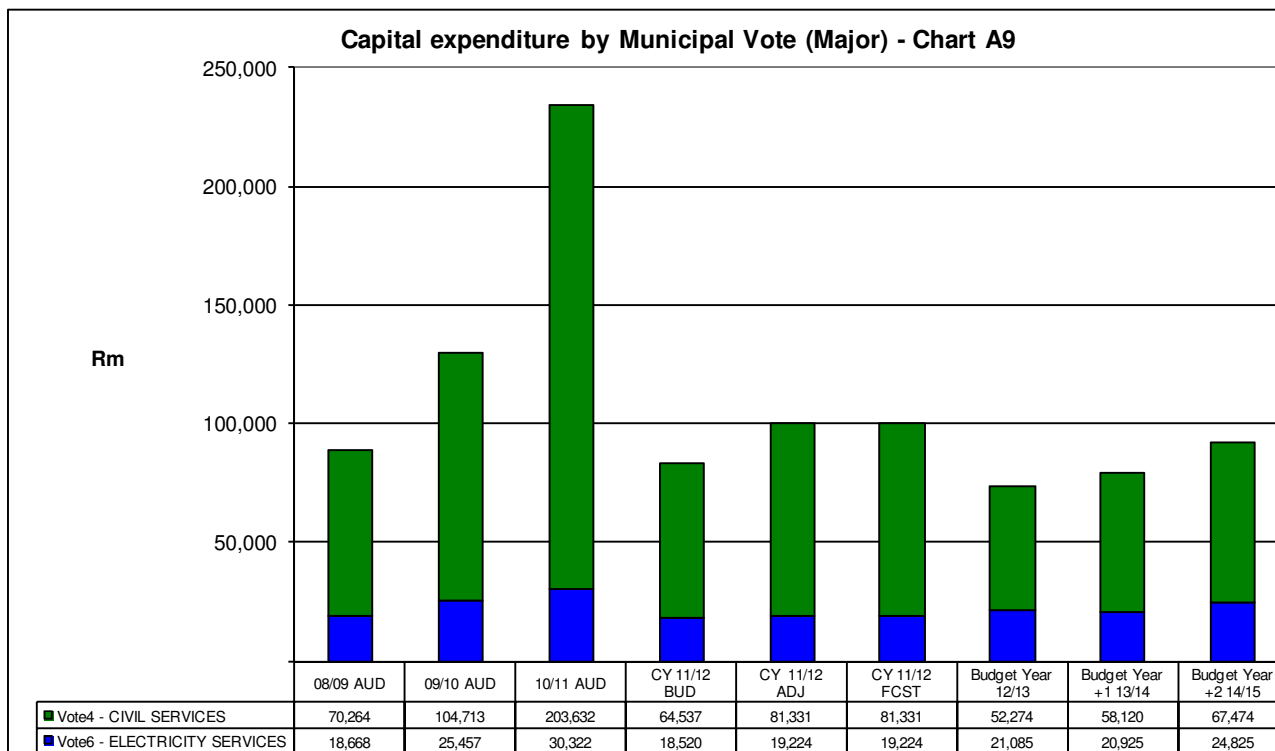




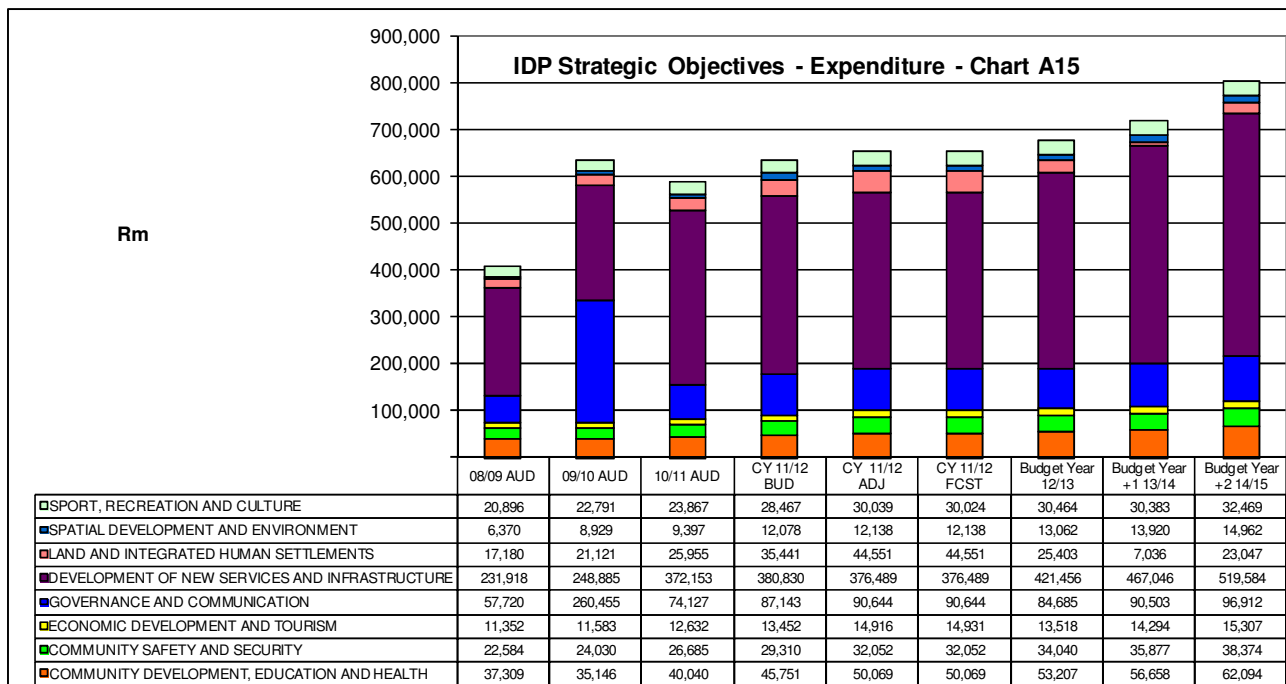
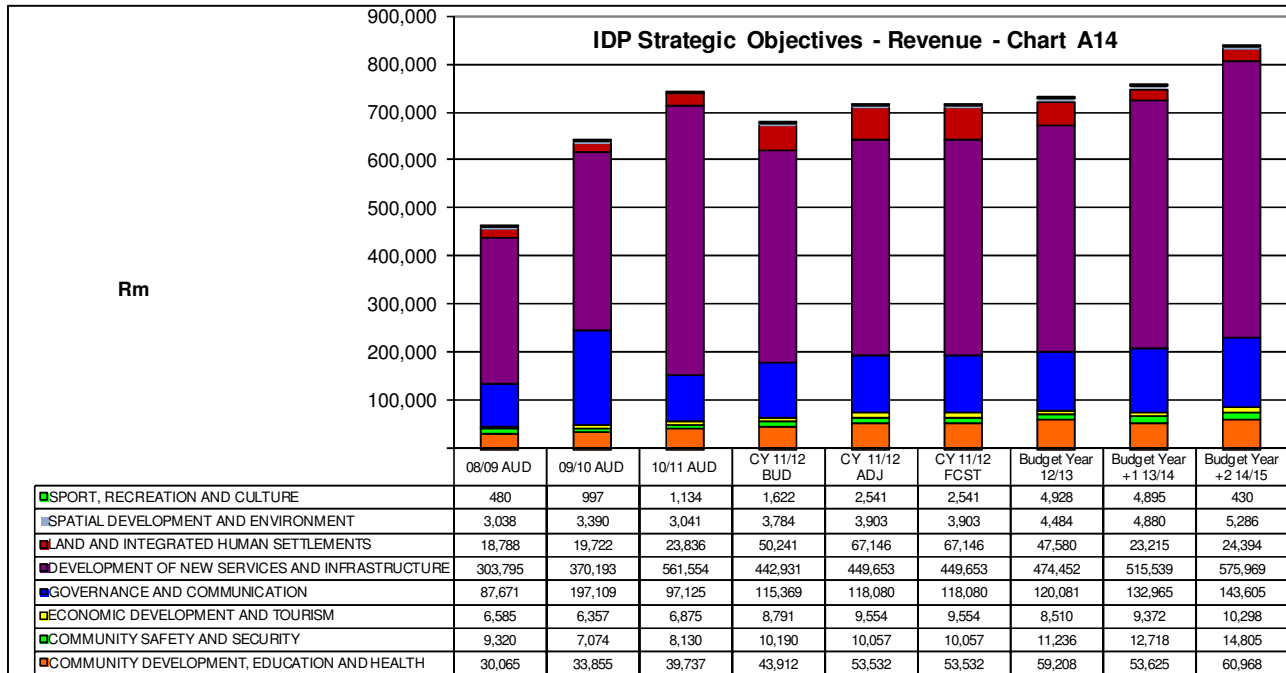


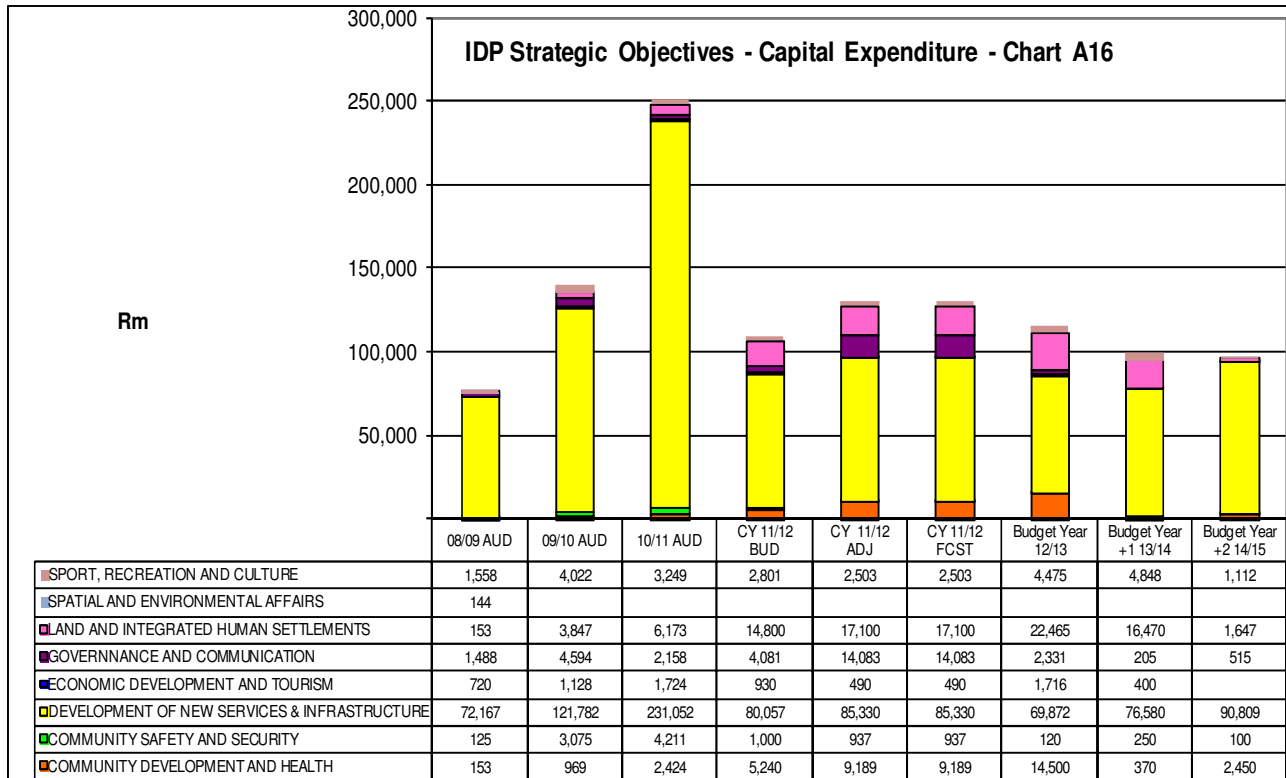
The following shows various charts and graphs on the **Capital budget** of the Municipality:



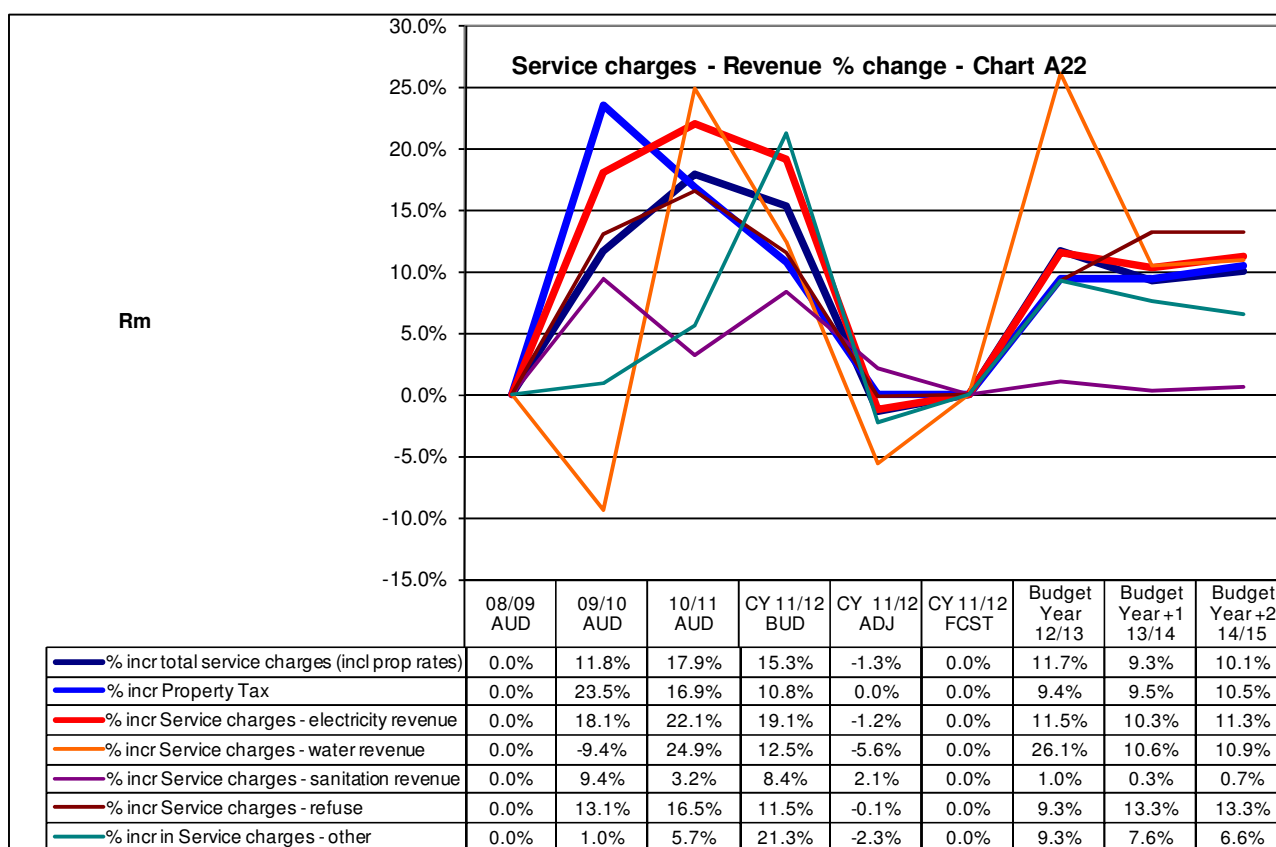
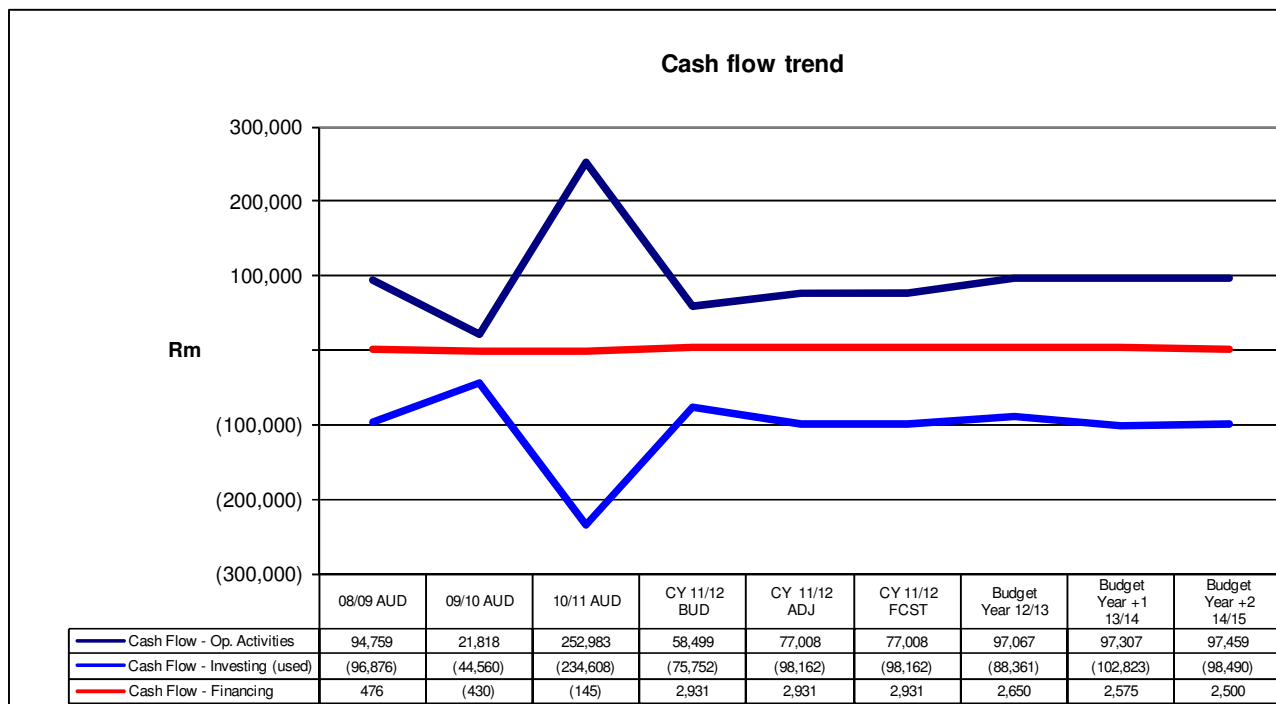


The following shows various charts and graphs on the [link between the Integrated Development Plan \(IDP\) and the municipal Budget](#):





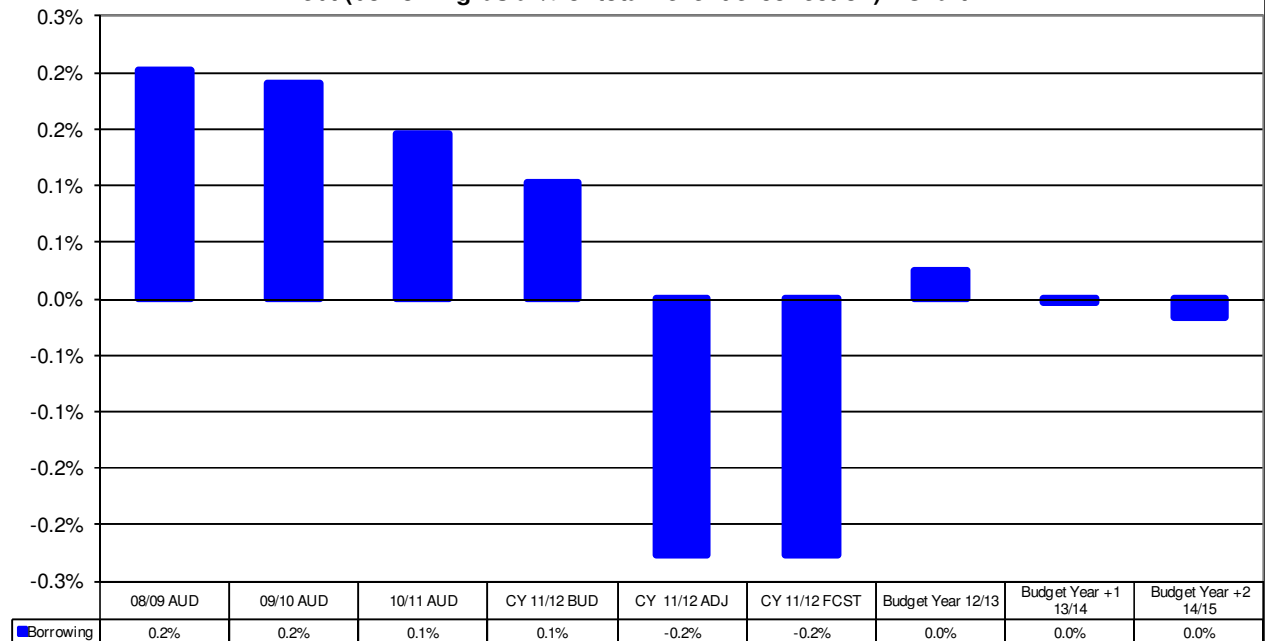
The following shows various charts and graphs on **Cash flow trends, Distribution losses, Debt collection**, etc:



Revenue collection - Chart A18



Debt (borrowing as a % of total revenue collection) - Chart A17



Distribution losses - Chart A19

100.0%
80.0%
60.0%
40.0%
20.0%
0.0%

	08/09 AUD	09/10 AUD	10/11 AUD	CY 11/12 BUD	CY 11/12 ADJ	CY 11/12 FCST	Budget Year 12/13	Budget Year +1 13/14	Budget Year +2 14/15
Electricity	5.0%	7.5%	6.1%	8.5%	8.0%	8.0%	8.0%	7.5%	7.5%
Water	14.9%	21.6%	15.8%	20.0%	15.0%	15.0%	12.0%	10.0%	8.0%

Borrowed capex funding - Chart A20

0.4%
0.2%
0.0%
-0.2%
-0.4%
-0.6%
-0.8%
-1.0%
-1.2%
-1.4%
-1.6%

	08/09 AUD	09/10 AUD	10/11 AUD	CY 11/12 BUD	CY 11/12 ADJ	CY 11/12 FCST	Budget Year 12/13	Budget Year +1 13/14	Budget Year +2 14/15
Borrowed capex funding	0.2%	-1.5%	-0.8%	-0.5%	-0.5%	-0.5%	-0.7%	-0.8%	-0.9%

Expenditure analysis (of Total Revenue) - Chart A21

40.0%
30.0%
20.0%
10.0%
0.0%

	08/09 AUD	09/10 AUD	10/11 AUD	CY 11/12 BUD	CY 11/12 ADJ	CY 11/12 FCST	Budget Year 12/13	Budget Year +1 13/14	Budget Year +2 14/15
Employee costs	29.4%	26.9%	29.5%	28.6%	27.5%	27.5%	28.1%	28.5%	27.5%
Remuneration	30.7%	28.1%	30.8%	30.0%	29.1%	29.1%	29.5%	29.9%	28.8%
Repairs & Maintenance	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Finance charges & Depreciation	5.5%	4.7%	6.1%	6.5%	6.2%	6.2%	7.5%	7.7%	7.2%

7. SUPPORTING DOCUMENTATION

7.1. Budget process overview

POLITICAL OVERSIGHT OF THE BUDGET PROCESS

Section 53 (1) (a) of the MFMA (no 56 of 2003) stipulates that the Mayor of a municipality must provide general political guidance over the budget process and the priorities that must guide the preparation of a budget.

Political oversight of the budget process is necessary to ensure that the needs and priorities of the community, as set out in the IDP, are properly linked to the municipality's spending plans. The mayoral committee is one of the key elements in accomplishing the linkage between the IDP and the Budget of a municipality.

SCHEDULE OF KEY DEADLINES RELATING TO THE BUDGET PROCESS

The mayor must, according to the MFMA, co-ordinate the processes for preparing the annual budget and for reviewing the municipality's IDP and budget-related policies. The mayor therefore tabled a schedule of key deadlines with regards to the budgetary process and the review of the municipality's IDP, in council on the 30 June 2011.

PURPOSE OF THE BUDGET AND IDP PROCESS PLAN

The purpose of the process plan is to indicate the various planned activities and strategies on which the municipality will embark to compose its Integrated Development Plan for the five year cycle (2012/2013-2016/2017) and the budget for the 2012/2013 financial year and the two outer years.

The process plan enhances integration and alignment between the IDP and the Budget, thereby ensuring the development of an IDP-based budget. It fulfills the role an operational framework for the IDP and Budget process outlining the manner in which this process was undertaken. In addition, it identifies the activities in the processes around the key statutory annual operational processes of the budget and IDP compilation, performance management implementation and the adoption of the municipality's annual report.

The approved schedule is set out below:

IDP & Budget Activity	PMS Activity	Responsibility	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12	Apr 12	May 12	Jun 12
			2. STRATEGIES													
1.13- Incorporating Community inputs in Draft Ward Development plans		IDP Manager PP Office Ward Councillors CFO				15	30									
1.14-Tabling of Draft Ward Development Plans to Executive Management for perusal and comment	- Audit of Performance Measures	IDP Manager CFO Directors					30	10								
2.1-Review of Municipal Strategic Plan & LED Strategy - Workshop with Mayco & Council		Municipal Manager Directors Directorates and CFO LED Manager				22		14								
2.2-Directors to be provided with the previous years operating expenditure / income actual and current year projections to be used as a base for new Operating Budget	- Appointment of Internal Auditor - Appointment of the Audit Committee - Section 57 Managers Quarterly Assessments	CFO						15 / 30								
2.3 - Table Revised Strategic Plan & LED Strategy to Council for approval		Municipal Manager Directorates						24 / 28								
2.4-Attend District IDP Manager Forum Meeting to give overview of Outcome of IDP Community Meetings to Sector Departments.		IDP Manager P P Officer						24 / 28								
2.5-Convening IDP Representative Forum Meeting – Consideration and refining of Ward Plans and Development Priorities, Integrate and Align Ward Plans with Municipal Strategic Plans.		CFO Municipal Manager IDP Office						31								

2.6-Review Municipal Spatial Development Framework		Director Development & Planning							05	31						
2.7-Engagements with Provincial Government regarding any adjustments to projected allocations for next 3 years in terms of the Medium-term Expenditure Framework		CFO and All Directors							31							
2.8-Updating and review of strategic elements of IDP in light of the new focus of Council		IDP Manager							31							
2.9- Table Ward-Based Strategic Development Plans to Council for approval to be incorporated in IDP									31	30						
2.10- Set Municipal Strategies, objectives, KPA's, KPI's and targets. Identification of priority IDP KPI's incorporate in IDP and link to budget	- Audit of Performance Measures	IDP Steering Committee								01 / 30						
		CFO														
											</					

IDP & Budget Activity	PMS Activity	Responsibility	May 11	Jun 11	Jul 11	Aug 11	Sep 11	Oct 11	Nov 11	Dec 11	Jan 12	Feb 12	Mar 12	Apr 12	May 12	Jun 12
			4. INTEGRATION													
4.1-Conclusion of Sector Plans and integration into the IDP document		IDP Manager								30						
4.2-Finalise departmental Plans and link to IDP		Directors IDP Manager								30						
4.3- Convening Budget Steering Committee Meeting for the purpose to discuss and prioritise draft Capital projects for the next three years	- Mayor tables annual Report - Advertise Annual Report and invite community inputs - Section 57 Managers Quarterly Assessments	Budget Steering Committee Executive Management									31					
4.4-Final review of municipal strategies, objectives, KPA's, KPI's and targets		IDP Manager IDP Steering Committee									31					
4.5-Review tariffs and charges and determine tariffs to balance the budget		CFO										15				
4.6-Review all budget related policies		CFO									31					
4.7-Adjustment Budget: Finalise Capital and Operational budget projections for 2011/2012		CFO									31					
4.8-Attend District IDP Managers Forum Meeting to discuss the alignment of IDP Strategic Development Goals with Eden DM		IDP Manager										01 / 10				
4.9-Directors identify projects and Forward local Budget Needs priorities to Eden DM. Project alignment between Eden DM and Mossel Bay Municipality												01 / 10				

4.10- Table Adjustment Budget to Council for approval	Amend IDP, SDBIP, KPI's and performance agreements i.t.o adjustment budget	CFO IDP Manager	28																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																															
--	---	--------------------	----	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

5.3-Present Draft IDP and Budget to Steering Committees for quality check	IDP & Budget Steering Committee IDP Manager	24 / 05	
5.4-Workshop draft IDP & budget and proposed tariffs with Council	IDP Manager CFO	06 / 11	
5.5-Municipal Manager presents final draft IDP, Budget and Budget related policies to the Mayor for perusal and tabling to Council	Municipal Manager	15 / 19	
5.6-Submit draft IDP, Budget, Related policies and proposed schedule of Ward Committee Meetings for post IDP & Budget Feedback/Consultation Process to Council (Principal Approval)	Municipal Manager CFO IDP Manager	23 / 31	
5.7-Forward Copy of preliminary approved Budget IDP, SDBIP & related documents to National & Provincial Treasury – 90 days before start of new financial year		02 / 06	
5.8-Attend District Budget Indaba-Sector departments to confirm projects budgeted for (2012/2013)	IDP Manager	02 / 13	
5.9-Attend District IDP Managers Forum- Present Draft IDP for input		02 / 13	



5.16-Send copy of approved Budget, IDP & related documents to National and Provincial Governments and other stakeholders	IDP Manager Budget Office	04 / 08
5.17-Publication of Approved Budget within 10 workings days on Municipal Website	Budget Office Municipal Manager and Directors	04 / 15
5.18-Submit draft SDBIP to Mayor within 14 days after approval of budget	Municipal Manager	14
5.19 Mayor approves the municipality's SDBIP within 28 days after the approval of the budget	Mayor	28
5.20 Place IDP and related documents on CD for all councillors	IDP Manager Mayor	29

FLOWCHART ON THE BUDGET PROCESS

There are basically three different processes in the budgeting cycle running at the same time:

1. Reporting on Previous year budget,
2. Current year budget implementation, and
3. Preparation of the new financial year's budget (including the two following financial year estimates).

1. Reporting on Previous year budget:

This is mainly done through the compilation of the Annual Financial Statements of the previous financial year, including the Auditor-General's Audit Report. Another example is the different reporting formats to National and Provincial government on the previous year's budget and financial performance.

2. Current year budget implementation:

Implementation of the budget starts once the budget has been approved. An important document in the implementation of the budget is the Service Delivery and Budget Implementation Plan (SDBIP), which sets out the service delivery targets and performance indicators for the financial year. The SDBIP must be approved within 28 days after the approval of the budget.

Another important aspect is the monitoring and reporting on the current year budget. According to Section 71 of the MFMA, the accounting officer must by no later than 10 working days after the end of each month submit to the Mayor of the municipality and the relevant provincial treasury a statement on the state of the municipality's budget. This will enable the mayor to check if the approved budget is implemented in accordance with the SDBIP, consider revisions to the approved budget and identify any financial problems facing the municipality.

3. Preparation of the new financial year's budget:

There are six distinct steps to the preparation of the new financial year's budget:

- * Planning
Schedule key dates; establish consultation forums; review previous processes.
- * Strategic
Review IDP; internal and external consultations; set service delivery objectives for the next 3 years; consult on tariffs, indigent, credit control, free basic services, etc.; consider local, provincial and national issues; consult previous year's performance and current economic and demographic trends.
- * Preparation
Prepare revenue and expenditure projections; draft budget policies; consult and consider local, provincial and national priorities; measurement of past and current performance against the budget.
- * Tabling
Table complete proposed budget, IDP revisions and budget related policies no later than 1 April (90 days before the start of the new budget year) before council; make public the budget as soon as it has been tabled (via website, hard copies and electronic copies); consult with and consider formal local, provincial and national inputs or responses.

* Approving

After the Mayor has responded to recommendations and where necessary made revisions to the tabled budget, full council must meet no later than 31 May (30 days before the start of the new budget year) to consider the budget for approval. Council approves the budget and related policies before 1 July. Should the municipality fail to approve a budget before the start of the budget year, the mayor must inform the MEC for Finance immediately.

* Finalisation

Publish and approve SDBIP and annual performance agreements and indicators 28 days after the approval of the budget. A delegations policy of spending authority on budget votes is also critical for successful budget implementation and monitoring and evaluation.

CONSULTATION PROCESS

The Constitution of the Republic of South Africa, Act 108 of 1996, places an obligation on municipalities to encourage the involvement of communities and community organisations in the matters of local government. With the promulgation of the Municipal Systems Act, 32 of 2000, the attention of municipalities was focused anew on the need to encourage the involvement of communities in the affairs of the municipality. Section 16(1) of the Municipal Systems Act, No 32 van 2000 makes provision for a Municipality to create an opportunity to encourage the local community to participate in Municipal matters.

Through public participation the municipality is able to create development plans and render services that are more relevant to the needs and conditions of local communities. This in itself empowers local communities to have control over their own lives and livelihoods.

A good participation process is characterised by commitment from the municipality and those from the community that participate in the process. All relevant stakeholders that have an interest in the IDP process were provided the opportunity to participate directly or through representation.

In order for the Integrated Development Planning process to be an activity that addresses the real needs of the people of the greater Mossel Bay, the municipality organised a number of engagements to ensure that its citizenry and those who have vested interest in Mossel Bay could shape the IDP according to their needs and interest. Invitations to communities and all stakeholders were communicated in time in all three official languages of the Western Cape by means of;

- Publishing articles with dates of public engagement session in the local newspaper and Municipal newsletter.
- Dissemination of IDP educational flyers.
- Displaying of poster in all wards.
- Broadcasting on two regional radio stations.
- Loud Hailing.

The Municipality's IDP and Budget processes are people-driven. It is informed by Ward-based planning, analysis of ward needs and priorities, and public and stakeholder engagements. Mossel Bay Municipality is committed to ensuring community participation in the interests of participative democracy at a local government level. The commitment to community participation is underpinned by adherence to the Municipal Systems Act and the Municipal Finance Management Act, which require municipalities to consult with local communities through appropriate mechanisms, processes and procedures.

These include the piloting of a ward based planning approach through participation from all 14 Ward Committees during the community needs analysis and needs prioritisation phases. Mossel Bay Municipality utilises its Ward Committees as the primary consultative structure with regard to planning. Three rounds of Ward Committee Meetings were conducted in all 14 Wards apart from the normal IDP Public Engagement Sessions.

The Municipality also for the first time successfully established an external IDP Forum which comprises of representatives from Government Sector Departments, Business, Non-Governmental Organisations, Community Organisations, Ward Committee Members, Councillors and selected officials. Provide an organisational mechanism for discussion, negotiation and decision making between stakeholders. The IDP Forum met on 27 September 2011 and serves as a platform for discussion, negotiation and decision-making between stakeholders on matters relating to service delivery and integrated development planning.

The Public engagement sessions were generally well attended except for some wards where the turnout was lower than expected. Although the outcome of this round of engagements shows an improvement in relation to previous years, the municipality, however, identified some shortcomings in the process that will definitely be attended to during the next IDP review process. The municipality is committed towards enhancing good relationships with its citizens and therefore intends to allocate more resources in mobilising the community to participate in municipal affairs.

The table below outlines the schedule of public participation engagement sessions held and the number of people in attendance as recorded by means of signed attendance registers:

Ward	Venue	Date	Councillor	Attendance
1	Kwanongqaba Community Hall	15 August	N R Mzola	141
2	Kwanongqaba Community Hall	16 August	N P Jwili	105
3	Asla Park Community Hall	18 August	T M N Mkayo	57
6	Voortrekker Hall	22 August	E Scheepers	25
4	Reebok Community Hall	23 August	K H Smit	20
4	Brandwacht Community Hall	25 August	K H Smit	51
5	Great Brak Municipal Offices	29 August	J J Gerber	25
7	Herbertsdale Church Hall	30 August	J van der Merwe	69
7	Sonskyn Vallei Community Hall	01 September	J van der Merwe	98
8	Mossel Bay Town Hall	05 September	N J Lodewyks	34
7	Boggoms Bay Community Hall	06 September	J van der Merwe	28
9	D'Almeida Community Hall	08 September	E Meyer	94
10	Hartenbos Library Hall	12 September	P Terblanche	39
11	Asla Community Hall	13 September	P A Du Plessis	50
11	Danabaai Community Hall	15 September	P A Du Plessis	49
12	Joe Slovo Community Hall	19 September	N P Malilwana	117
13	Indoor Sport Centre	20 September	S Moodie	48
14	Dene Prag Primary School : Ruiterbos	21 September	J C Bayman	113
14	Greenhaven Community Hall	22 September	J C Bayman	74
14	Friemersheim Community Hall	26 September	J C Bayman	30

7.2. Alignment between Budget and the Integrated Development Plan (IDP)

AMENDMENTS TO THE INTEGRATED DEVELOPMENT PLAN (IDP)

- Revision of the lay-out and format of the document
- Inclusion of section on Self-assessment of planning process
- Inclusion of a Chapter on the Municipality's internal development strategies
- Inclusion of a Chapter on Intergovernmental Strategy alignment with outcome based Sector Departments' projects and programmes
- Inclusion of a Chapter on Development Strategies and Projects per KPA

RECONCILIATION OF IDP & BUDGET: OPERATING REVENUE

Strategic Objective	Goal	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	CEMETERIES	105	145	174	193	226	226	204	222	240
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	HEALTH: CLINICS	-	-	-	-	-	-	-	-	-
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	HEALTH: COMMUNITY SERVICE	-	-	-	-	-	-	-	-	-
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	HEALTH: GENERAL	-	-	-	-	-	-	-	-	-
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	HEALTH: PRIME CARE	-	-	-	-	-	-	-	-	-
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	LIBRARIES	622	920	944	975	954	954	7,079	168	186
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	SOCIO-ECON.PLANNING/DEVELOPM.	211	186	217	200	7,179	7,179	4,280	362	375
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	CLEANSING : REFUSE REMOVAL SERV	29,128	32,213	38,185	42,317	42,279	42,279	47,396	52,599	59,868
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	CLEANSING : STREET CLEANING	-	357	206	226	2,882	2,882	249	274	298
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	CLEANSING : TRANSFER STATIONS	-	35	11	-	12	12	-	-	-
COMMUNITY SAFETY AND SECURITY	FIRE BRIGADE &RESCUE SERVICES	79	100	77	120	100	100	292	94	98
COMMUNITY SAFETY AND SECURITY	MUNICIPAL POLICE & TRAFFIC	9,242	6,974	8,053	10,070	9,957	9,957	10,944	12,623	14,706
COMMUNITY SAFETY AND SECURITY	LAW ENFORCEMENT	-	-	-	-	-	-	-	-	-
COMMUNITY SAFETY AND SECURITY	SECURITY SERVICES	-	-	-	-	-	-	-	-	-
ECONOMIC DEVELOPMENT AND TOURISM	INDUSTRIAL & TOURISM MARKETING	-	-	-	-	-	-	-	-	-
ECONOMIC DEVELOPMENT AND TOURISM	BEACHES	41	24	28	1,028	2,037	2,037	35	36	38
ECONOMIC DEVELOPMENT AND TOURISM	CARAVAN PARK :DIAS	-	-	-	-	-	-	-	-	-
ECONOMIC DEVELOPMENT AND TOURISM	CARAVAN PARK :POINT	1,793	1,920	2,050	2,215	2,330	2,330	2,622	2,858	3,114
ECONOMIC DEVELOPMENT AND TOURISM	CARAVAN PARK :SANTOS / BAKKE	2,437	2,433	2,622	3,003	3,007	3,007	3,303	3,600	3,924
ECONOMIC DEVELOPMENT AND TOURISM	CHALETS : DE BAKKE	2,314	1,981	2,175	2,545	2,180	2,180	2,550	2,878	3,221
ECONOMIC DEVELOPMENT AND TOURISM	CHALETS : DIASSTRAND	-	-	-	-	-	-	-	-	-
GOVERNANCE AND COMMUNICATION	MUNICIPAL MANAGER : ADMIN	16	10	-	-	2	2	3	3	4
GOVERNANCE AND COMMUNICATION	COUNCIL : GENERAL EXPENSES	38,263	135,893	25,023	35,906	38,638	38,638	33,608	38,233	38,858
GOVERNANCE AND COMMUNICATION	LEGAL SERVICES	-	-	-	-	-	-	16	18	19
GOVERNANCE AND COMMUNICATION	MANAGER CORPORATE SERV : ADMIN	8	260	208	135	403	403	117	122	123
GOVERNANCE AND COMMUNICATION	CUSTOMER CARE	-	-	-	-	-	-	-	-	-
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	HUMAN RESOURCES	609	749	905	900	905	905	600	660	739
GOVERNANCE AND COMMUNICATION	MANAGER FINANCIAL SERV : ADMIN	3,005	3,660	4,889	5,166	4,687	4,687	5,213	5,773	6,476
GOVERNANCE AND COMMUNICATION	ASSESSMENT RATES	46,378	57,285	66,958	74,162	74,179	74,179	81,125	88,817	98,125
GOVERNANCE AND COMMUNICATION	COMPUTER CENTRE	0	0	0	1	172	172	0	0	0
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	PAYROLL MANAGEMENT	-	-	-	-	-	-	-	-	-
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	SUPPLY CHAIN MANAGEMENT	65	141	79	100	87	87	83	88	91
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	VALUATIONS	-	-	-	-	-	-	-	-	-
GOVERNANCE AND COMMUNICATION	MANAGER TECHNICAL SERV : ADMIN	-	-	-	-	-	-	-	-	-
GOVERNANCE AND COMMUNICATION	MANAGER COMMUNITY SERV : ADMIN	-	-	-	-	-	-	-	-	-
GOVERNANCE AND COMMUNICATION	MECHANICAL SERVICES	-	-	46	-	-	-	-	-	-
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	MUNICIPAL BUILDINGS & LAND	1,399	1,442	1,279	1,103	1,561	1,561	1,401	1,534	1,746

RECONCILIATION OF IDP & BUDGET: OPERATING REVENUE (Continued)

Strategic Objective	Goal	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	ELECTRICITY ADMINISTRATION	–	–	–	–	–	–	–	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	ELECTRICITY DISTRIBUTION	156,190	191,296	235,665	268,988	266,701	266,701	288,148	317,495	359,188
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	MAIN ROADS	811	–	–	50	50	50	50	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	STORMWATER DRAINAGE	11,697	4,110	1	–	584	584	–	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	STREETS	7,366	5,306	7,251	15,911	16,910	16,910	12,801	4,909	7,161
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : PURIF SERV - RUITERBOS	–	–	–	–	–	–	–	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : PURIF SERV - BRANDWACHT	–	–	–	–	–	–	–	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : PURIF SERV - PINNACLE POINT	–	–	–	–	–	–	–	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : PURIF SERV - REGIONAL PL	3	2	3	2	2	2	–	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : PURIF SERV - GREAT BRAK	–	–	–	–	–	–	–	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : PURIF SERV - HERBERTSDAL	–	–	–	–	–	–	–	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : PURIF SERV - FRIEMERSHEIM	–	–	–	–	–	–	–	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : RETIC SERV - EXTERNAL	3,025	862	3,590	3	94	94	3	3	3
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : RETIC SERV - NETWORK	55,542	60,249	62,027	71,064	72,002	72,002	71,974	73,174	73,659
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : PURIFWORKS - RUITERBOS	–	–	–	–	–	–	–	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : PURIFWORKS - LODEWYKS	–	–	–	–	–	–	–	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : PURIF WORKS - KLEIN BRAK	–	4,750	0	–	–	–	–	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : PURIFWORKS - SANDHOOGTE	38	65	53	45	50	50	(59)	(65)	(71)
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : PURIFWORKS - GREAT BRAK	0	306	3,112	–	3,441	3,441	–	8,696	12,000
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : PURIFWORKS - FRIEMERSHEIM	–	–	–	–	–	–	–	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : PURIFWORKS - HERBERTSDALE	–	–	–	–	–	–	–	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : DISTRIBUTION SERVICES	68,599	63,561	78,851	11,043	10,693	10,693	11,837	12,218	14,231
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : EXTERNAL SERVICES	524	39,688	171,001	75,826	79,127	79,127	89,698	99,109	109,796
LAND AND INTEGRATED HUMAN SETTLEMENTS	INTEGRATED HUMAN SETTLEMENTS	18,788	19,722	23,836	50,241	67,146	67,146	47,580	23,215	24,394
SPATIAL DEVELOPMENT AND ENVIRONMENT	TOWN PLAN & BUILDING CONTROL	3,038	3,390	3,041	3,784	3,903	3,903	4,484	4,880	5,286
SPORT, RECREATION AND CULTURE	TOWN HALL & COMMUNITY HALLS	308	192	225	254	234	234	250	278	309
SPORT, RECREATION AND CULTURE	PLANTATIONS	54	5	463	30	15	15	20	22	24
SPORT, RECREATION AND CULTURE	PARKS: HARRY GIDDY PARK	–	8	6	9	6	6	6	7	7
SPORT, RECREATION AND CULTURE	PARKS & RECREATION	4	3	378	1,253	2,219	2,219	1,753	3	3
SPORT, RECREATION AND CULTURE	SPORT GROUNDS	113	789	62	77	68	68	2,900	4,586	87
Allocations to other priorities										
Total Revenue (excluding capital transfers and contributions)		461,815	641,029	743,696	678,943	717,019	717,019	732,563	759,491	838,331

RECONCILIATION OF IDP & BUDGET: OPERATING EXPENDITURE

Strategic Objective	Goal	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	CEMETERIES	508	651	649	700	780	780	757	802	862
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	LIBRARIES	4,335	5,133	5,106	5,975	6,188	6,188	6,527	7,131	7,832
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	SOCIO-ECON.PLANNING/DEVELOPM.	2,076	2,879	3,699	3,941	4,090	4,090	5,362	5,773	6,184
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	CLEANSING : REFUSE REMOVAL SERV	27,730	23,358	26,890	30,825	32,231	32,242	36,302	38,409	42,358
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	CLEANSING : STREET CLEANING	1,679	1,972	2,243	2,623	5,244	5,256	2,701	2,882	3,087
COMMUNITY DEVELOPMENT, EDUCATION AND HEALTH	CLEANSING : TRANSFER STATIONS	981	1,152	1,453	1,687	1,536	1,513	1,558	1,661	1,770
COMMUNITY SAFETY AND SECURITY	FIRE BRIGADE & RESCUE SERVICES	8,904	10,127	10,949	12,460	11,941	11,941	12,897	13,878	14,887
COMMUNITY SAFETY AND SECURITY	MUNICIPAL POLICE & TRAFFIC	13,679	13,903	15,737	16,850	20,111	20,111	18,804	19,494	20,782
COMMUNITY SAFETY AND SECURITY	LAW ENFORCEMENT	-	-	-	-	-	-	2,339	2,505	2,705
COMMUNITY SAFETY AND SECURITY	SECURITY SERVICES	-	-	-	-	-	-	-	-	-
ECONOMIC DEVELOPMENT AND TOURISM	INDUSTRIAL & TOURISM MARKETING	1	1	1	0	0	0	-	0	0
ECONOMIC DEVELOPMENT AND TOURISM	BEACHES	4,379	4,076	4,012	5,273	6,400	6,415	4,455	4,710	5,039
ECONOMIC DEVELOPMENT AND TOURISM	CARAVAN PARK :DIAS	16	20	28	-	28	28	33	36	40
ECONOMIC DEVELOPMENT AND TOURISM	CARAVAN PARK :POINT	1,619	1,742	2,007	2,238	2,275	2,275	2,301	2,455	2,650
ECONOMIC DEVELOPMENT AND TOURISM	CARAVAN PARK :SANTOS / BAKKE	1,578	1,565	2,065	1,912	2,139	2,070	2,174	2,310	2,505
ECONOMIC DEVELOPMENT AND TOURISM	CHALETS : DE BAKKE	3,535	4,127	4,477	4,029	4,029	4,098	4,500	4,723	5,007
ECONOMIC DEVELOPMENT AND TOURISM	CHALETS : DIASSTRAND	223	52	41	-	45	45	56	60	67
GOVERNANCE AND COMMUNICATION	MUNICIPAL MANAGER : ADMIN	1,685	1,302	1,373	1,499	1,504	1,510	1,568	1,641	1,713
GOVERNANCE AND COMMUNICATION	COUNCIL : GENERAL EXPENSES	31,732	232,754	43,937	53,948	58,160	58,234	44,607	48,784	53,278
GOVERNANCE AND COMMUNICATION	LEGAL SERVICES	-	-	-	-	-	-	4,550	4,882	5,305
GOVERNANCE AND COMMUNICATION	MANAGER CORPORATE SERV : ADMIN	8,303	9,898	10,192	10,273	9,673	9,673	8,732	9,074	9,437
GOVERNANCE AND COMMUNICATION	CUSTOMER CARE	1,355	318	420	499	487	487	866	921	1,004
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	HUMAN RESOURCES	3,769	5,112	5,666	6,259	6,528	6,528	6,543	6,956	7,516
GOVERNANCE AND COMMUNICATION	MANAGER FINANCIAL SERV : ADMIN	11,716	12,778	14,045	16,177	15,604	15,524	16,128	16,740	17,768
GOVERNANCE AND COMMUNICATION	ASSESSMENT RATES	-	-	-	-	-	-	2,200	2,310	2,426
GOVERNANCE AND COMMUNICATION	COMPUTER CENTRE	1,911	1,834	1,978	2,449	2,981	2,981	3,476	3,652	3,444
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	PAYROLL MANAGEMENT	-	-	-	-	-	-	-	-	-
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	SUPPLY CHAIN MANAGEMENT	1,586	2,574	3,337	3,603	3,672	3,672	4,298	4,602	4,953
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	VALUATIONS	1,440	1,298	2,212	4,163	5,259	5,259	2,276	2,068	2,262
GOVERNANCE AND COMMUNICATION	MANAGER TECHNICAL SERV : ADMIN	350	634	663	72	(64)	(64)	90	(82)	(193)
GOVERNANCE AND COMMUNICATION	MANAGER COMMUNITY SERV : ADMIN	667	719	835	898	997	997	876	879	893
GOVERNANCE AND COMMUNICATION	MECHANICAL SERVICES	-	219	685	1,328	1,302	1,302	1,591	1,704	1,838
MUNICIPAL TRANSFORMATION AND INSTITUTIONAL DEVELOPMENT	MUNICIPAL BUILDINGS & LAND	5,397	4,805	5,154	5,325	5,032	5,032	5,191	5,365	5,581

RECONCILIATION OF IDP & BUDGET: OPERATING EXPENDITURE (Continued)

Strategic Objective	Goal	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	ELECTRICITY ADMINISTRATION	5,948	7,043	6,698	8,095	8,154	8,154	7,947	8,625	9,403
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	ELECTRICITY DISTRIBUTION	112,169	130,006	159,635	198,525	200,760	200,760	222,592	253,274	288,184
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	MAIN ROADS	889	–	562	63	63	63	63	–	–
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	STORMWATER DRAINAGE	3,476	3,404	5,672	4,798	7,305	7,305	7,615	8,144	8,709
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	STREETS	22,880	20,114	16,501	28,438	25,519	25,519	29,233	31,546	33,901
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : PURIF SERV - RUITERBOS	–	–	–	75	41	41	42	45	49
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : PURIF SERV - BRANDWACHT	–	–	–	34	34	34	28	30	33
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : PURIF SERV - PINNACLE POINT	1,201	2,778	2,281	2,944	1,486	1,486	1,477	1,578	1,703
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : PURIF SERV - REGIONAL PL	5,722	7,862	7,974	9,974	9,776	9,776	11,443	12,552	14,016
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : PURIF SERV - GREAT BRAK	300	439	456	555	565	565	582	632	686
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : PURIF SERV - HERBERTSDAL	96	106	104	139	140	140	143	156	171
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : PURIF SERV - FRIEMERSHEIM	252	353	336	365	363	363	383	412	445
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : RETIC SERV - EXTERNAL	6,212	4,674	7,768	7,826	9,310	9,310	10,574	11,202	12,056
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	SEW : RETIC SERV - NETWORK	21,612	19,836	24,201	27,424	23,885	23,885	29,554	32,101	33,792
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : PURIFWORKS - RUITERBOS	–	–	–	86	47	47	51	54	59
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : PURIFWORKS - LODEWYKS	–	–	–	46	32	32	46	49	54
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : PURIF WORKS - KLEIN BRAK	16,690	14,617	25,198	11,229	11,177	11,177	12,716	13,438	14,617
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : PURIFWORKS - SANDHOOGTE	3,255	3,207	2,822	3,745	3,710	3,710	3,828	4,074	4,435
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : PURIFWORKS - GREAT BRAK	1,991	2,356	2,584	2,747	2,399	2,399	2,498	2,709	2,972
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : PURIFWORKS - FRIEMERSHEIM	337	305	297	378	357	357	526	566	611
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : PURIFWORKS - HERBERTSDALE	80	104	75	127	106	106	124	136	149
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : DISTRIBUTION SERVICES	20,063	22,807	31,009	32,455	31,712	31,712	37,163	40,193	44,660
DEVELOPMENT OF NEW SERVICES AND INFRASTRUCTURE	WATER : EXTERNAL SERVICES	8,744	8,874	77,979	40,765	39,550	39,550	42,826	45,526	48,879
LAND AND INTEGRATED HUMAN SETTLEMENTS	INTEGRATED HUMAN SETTLEMENTS	17,180	21,121	25,955	35,441	44,551	44,551	25,403	7,036	23,047
SPATIAL DEVELOPMENT AND ENVIRONMENT	TOWN PLAN & BUILDING CONTROL	6,370	8,929	9,397	12,078	12,138	12,138	13,062	13,920	14,962
SPORT, RECREATION AND CULTURE	TOWN HALL & COMMUNITY HALLS	2,991	3,290	3,423	3,924	3,735	3,735	4,055	4,322	4,660
SPORT, RECREATION AND CULTURE	PLANTATIONS	249	323	844	834	1,024	1,024	764	813	867
SPORT, RECREATION AND CULTURE	PARKS: HARRY GIDDY PARK	–	831	907	995	949	949	1,020	1,083	1,166
SPORT, RECREATION AND CULTURE	PARKS & RECREATION	14,570	15,300	15,301	18,323	19,000	19,000	18,909	18,129	19,366
SPORT, RECREATION AND CULTURE	SPORT GROUNDS	3,086	3,047	3,392	4,391	5,330	5,315	5,716	6,036	6,411
Allocations to other priorities										
Total Expenditure		417,519	646,726	601,224	651,821	671,388	671,388	694,142	734,710	823,062

RECONCILIATION OF IDP & BUDGET: CAPITAL EXPENDITURE

Strategic Objective	Goal	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
COMMUNITY DEVELOPMENT AND HEALTH	CEMETERIES	153	88	260	50	50	50	100	–	–
SPORT, RECREATION AND CULTURE	TOWN HALL & COMMUNITY HALLS	20	493							
COMMUNITY DEVELOPMENT AND HEALTH	HEALTH	–	–							
COMMUNITY SAFETY AND SECURITY	FIRE BRIGADE & RESCUE SERVICES	40	925	2,232	600	746	746	100	250	100
COMMUNITY SAFETY AND SECURITY	MUNICIPAL POLICE & TRAFFIC	85	2,150	1,979	400	191	191	20	–	–
COMMUNITY SAFETY AND SECURITY	SECURITY SERVICES	–	–	–	–	–	–	–	–	–
ECONOMIC DEVELOPMENT AND TOURISM	INDUSTRIAL & TOURISM MARKETING	–	–	–	–	–	–	–	–	–
ECONOMIC DEVELOPMENT AND TOURISM	BEACHES	445	788	1,403	550	110	110	546	350	–
ECONOMIC DEVELOPMENT AND TOURISM	CARAVAN PARKS	25	–		300	300	300	1,170	50	–
ECONOMIC DEVELOPMENT AND TOURISM	CHALETS	250	340	322	80	80	80			
GOVERNANCE AND COMMUNICATION	CARAVAN PARKS							200	–	–
GOVERNANCE AND COMMUNICATION	MUNICIPAL MANAGER : ADMIN	11	37		–	–	–			
MUNICIPAL TRANSFORMATION AND INSTITUTION	COUNCIL : GENERAL EXPENSES	69	182	110	12	12	12	–	500	–
GOVERNANCE AND COMMUNICATION	CUSTOMER CARE	–	–							
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	MANAGER CORPORATE SERV : ADMIN	56	1,495	683	39	39	39	100	100	–
GOVERNANCE AND COMMUNICATION	MANAGER CORPORATE SERV : ADMIN	–	–	–	–	–	–	155	–	–
MUNICIPAL TRANSFORMATION AND INSTITUTION	MANAGER CORPORATE SERV : ADMIN	–	–	–	–	–	–	119	687	–
MUNICIPAL TRANSFORMATION AND INSTITUTION	HUMAN RESOURCES	53	38	33	139	276	276	15	3	–
MUNICIPAL TRANSFORMATION AND INSTITUTION	LIBRARIES	13	147	163	320	330	330	89	81	2
GOVERNANCE AND COMMUNICATION	LIBRARIES: D'ALMEIDA			10	9	9	9			
GOVERNANCE AND COMMUNICATION	LIBRARIES : ELLEN VAN RENSBURG	2	23	2	13	13	13			
GOVERNANCE AND COMMUNICATION	LIBRARIES : HARTENBOS	6	16		48	48	48			
GOVERNANCE AND COMMUNICATION	LIBRARIES : KWA-NONQABA	50	1							
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	SOCIO-ECON. PLANNING/DEVELOPM.	–	–	3,501	2,109	8,421	8,421	6	–	–
MUNICIPAL TRANSFORMATION AND INSTITUTION	MANAGER FINANCIAL SERV : ADMIN	129	134	640	24	24	24	15	15	–
MUNICIPAL TRANSFORMATION AND INSTITUTION	SUPPLY CHAIN MANAGEMENT	–	–	–	–	–	–	14	–	–
MUNICIPAL TRANSFORMATION AND INSTITUTION	VALUATIONS	–	–	–	–	–	–	22	15	15
GOVERNANCE AND COMMUNICATION	ASSESSMENT RATES	–	–							
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	COMPUTER CENTRE	1,938	493	854	2,398	2,623	2,623	–	–	–
GOVERNANCE AND COMMUNICATION	COMPUTER CENTRE	–	–	–	–	–	–	846	175	485
GOVERNANCE AND COMMUNICATION	PAYROLL MANAGEMENT	–	–							
GOVERNANCE AND COMMUNICATION	SUPPLY CHAIN MANAGEMENT	23	107	47	41	60	60			
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	VALUATIONS	2	–		153	153	153	90	–	–
MUNICIPAL FINANCIAL VIABILITY AND MANAGEMENT	MANAGER CIVIL SERV : ADMIN	10	3	158	160	160	160	12	–	–
MUNICIPAL TRANSFORMATION AND INSTITUTION	MANAGER CIVIL SERV : ADMIN	–	–	–	–	–	–	10	10	10
MUNICIPAL TRANSFORMATION AND INSTITUTION	MANAGER COMMUNITY SERV : ADMIN	–	–	233	140	559	559	100	150	–
MUNICIPAL TRANSFORMATION AND INSTITUTION	CLEANSING: REFUSE REMOVAL	51	627	12	560	560	560			
MUNICIPAL TRANSFORMATION AND INSTITUTION	CLEANSING: TRANSFER STATIONS	25	86							
MUNICIPAL TRANSFORMATION AND INSTITUTION	COMPUTER CENTRE	–	–	–	–	–	–	3	–	–
MUNICIPAL TRANSFORMATION AND INSTITUTION	SOCIO-ECON. PLANNING/DEVELOPM.	–	–	–	–	–	–	150	15	70
MUNICIPAL TRANSFORMATION AND INSTITUTION	ELECTRICITY ADMINISTRATION	–	–	–	–	–	–	10	10	–
MUNICIPAL TRANSFORMATION AND INSTITUTION	ELECTRICITY DISTRIBUTION	–	–	–	–	–	–	820	500	500
MUNICIPAL TRANSFORMATION AND INSTITUTION	FIRE BRIGADE & RESCUE SERVICES	–	–	–	–	–	–	2,150	750	820

RECONCILIATION OF IDP & BUDGET: CAPITAL EXPENDITURE (Continued)

Strategic Objective	Goal	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
GOVERNNNANCE AND COMMUNICATION	FIRE BRIGADE &RESCUE SERVICES	861	200	50	1,435	1,435	1,435	1,100	–	–
MUNICIPAL FINANCIAL VIABILITY AND MANA	ELECTRICITY: DISTRIBUTION	18,651	954	220	400	3,165	3,165			
MUNICIPAL FINANCIAL VIABILITY AND MANA	ELECTRICITY ADMINISTRATION	17	120	170	100	100	100	15	15	15
GOVERNNNANCE AND COMMUNICATION	MUNICIPAL BUILDINGS & LAND	23	3,900	623	25	25	25			
MUNICIPAL TRANSFORMATION AND INSTITUT	MUNICIPAL POLICE & TRAFFIC	677	325	615	915	915	915	460	800	150
GOVERNNNANCE AND COMMUNICATION	SPORT GROUNDS	–	200	65	368	500	500			
MUNICIPAL TRANSFORMATION AND INSTITUT	SPORT GROUNDS	–	–	–	–	–	–	286	1,157	1,310
MUNICIPAL TRANSFORMATION AND INSTITUT	PARKS & RECREATION	1,094	876	741	75	75	75	555	–	385
MUNICIPAL TRANSFORMATION AND INSTITUT	SEWERAGE : RETIC SERV-EXTERNAL	–	30	10						
MUNICIPAL TRANSFORMATION AND INSTITUT	SEWERAGE : PURIF SERV-REGIONAL PL			147	210	354	354	255	260	180
GOVERNNNANCE AND COMMUNICATION	SEWERAGE : PURIF SERV-FRIEMERSHEIM									
GOVERNNNANCE AND COMMUNICATION	SEWERAGE : PURIF SERV-GREAT BRAK									
GOVERNNNANCE AND COMMUNICATION	SEWERAGE : PURIF SERV-HER									
GOVERNNNANCE AND COMMUNICATION	SEWERAGE : RETIC SERV-NETWORK			278	40	40	40	10	10	10
MUNICIPAL TRANSFORMATION AND INSTITUT	SEWERAGE : RETIC SERV-NETWORK	–	–	–	–	–	–	45	230	45
MUNICIPAL TRANSFORMATION AND INSTITUT	STREETS	233	918	1,002	1,210	1,170	1,170	1,605	860	195
MUNICIPAL TRANSFORMATION AND INSTITUT	TOWN HALL & COMMUNITY HALLS	776	150	165	120	179	179	61	–	–
MUNICIPAL TRANSFORMATION AND INSTITUT	TOWN PLAN & BUILDING CONTROL	200	110	80	20	23	23	30	20	20
MUNICIPAL TRANSFORMATION AND INSTITUT	WATER : DISTRIBUTION SERVICES	–	–	–	–	–	–	445	540	495
MUNICIPAL TRANSFORMATION AND INSTITUT	WATER : EXTERNAL SERVICES	–	–	–	–	–	–	200	–	–
GOVERNNNANCE AND COMMUNICATION	HUMAN SETTLEMENT				415	354	354			
GOVERNNNANCE AND COMMUNICATION	WATER : EXTERNAL SERVICES	500	40	738						
GOVERNNNANCE AND COMMUNICATION	WATER : DISTRIBUTION SERVICES			167	1,070	11,051	11,051	20	20	20
MUNICIPAL TRANSFORMATION AND INSTITUT	WATER :PURIFICATION WORKS-KLEIN BRAK	–	–	10	10	10	10	40	10	10
GOVERNNNANCE AND COMMUNICATION	PLANTATIONS				417	236	236			
GOVERNNNANCE AND COMMUNICATION	CHALETS :DE BAKKE	12	70	178	200	313	313			
GOVERNNNANCE AND COMMUNICATION	MECHANICAL SERVICES									
MUNICIPAL TRANSFORMATION AND INSTITUT	LAW ENFORCEMENT	–	–	–	–	–	–	350	–	–
MUNICIPAL TRANSFORMATION AND INSTITUT	LEGAL SERVICES	–	–	–	–	–	–	310	–	–
LAND AND INTEGRATED HUMAN SETTLEMENT	HUMAN SETTLEMENT	153	3,847	6,173	14,800	17,100	17,100	22,465	16,470	1,647
DEVELOPMENT OF NEW SERVICES & INFRASTRU	ELECTRICITY DISTRIBUTION	821	24,915	29,932	18,220	20,437	20,437	20,240	20,400	24,300
DEVELOPMENT OF NEW SERVICES & INFRASTRU	MUNICIPAL BUILDINGS & LAND	560	–	–						
DEVELOPMENT OF NEW SERVICES & INFRASTRU	MAIN ROADS	533	–	–						
DEVELOPMENT OF NEW SERVICES & INFRASTRU	STORMWATER DRAINAGE	18,057	8,000	4,305	5,575	980	980	6,710	5,690	7,000
DEVELOPMENT OF NEW SERVICES & INFRASTRU	STREETS	13,094	28,250	21,788	34,367	26,571	26,571	21,302	13,994	16,549
DEVELOPMENT OF NEW SERVICES & INFRASTRU	SEWERAGE	12,002	14,056	17,434	16,625	17,600	17,600	13,440	11,290	11,330
DEVELOPMENT OF NEW SERVICES & INFRASTRU	WATER	27,100	46,561	157,594	5,270	19,742	19,742	8,180	25,206	31,630
DEVELOPMENT OF NEW SERVICES & INFRASTRU	MECHANICAL SERVICES									
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING	–	–	–	3,460	3,460	3,460			
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING :REFUSE REMOVAL SERV	–	840	1,945		1,949	1,949	2,410	170	2,450
COMMUNITY DEVELOPMENT AND HEALTH	CLEANSING :TRANSFER STATION	–	41					100	–	–
COMMUNITY DEVELOPMENT AND HEALTH	MUNICIPAL MANAGER : ADMIN				1,500	1,500	1,500	1,500	–	–
COMMUNITY DEVELOPMENT AND HEALTH	TOWN HALL & COMMUNITY HALLS			219	230	230	230	300	–	–
COMMUNITY DEVELOPMENT AND HEALTH	MUNICIPAL BUILDINGS & LAND							90	200	–
COMMUNITY DEVELOPMENT AND HEALTH	LIBRARIES							6,000	–	–
COMMUNITY DEVELOPMENT AND HEALTH	SOCIO-ECON.PLANNING/DEVELOPM.					2,000	2,000	4,000	–	–
SPORT, RECREATION AND CULTURE	PLANTATIONS	–	–	–						
SPATIAL AND ENVIRONMENTAL AFFAIRS	TOWN PLAN & BUILDING CONTROL	144	–	–						
SPORT, RECREATION AND CULTURE	PARKS & RECREATION	–	208	287	150	181	181	95	40	–
SPORT, RECREATION AND CULTURE	PARKS:HARRY GIDDY PARK			4	31	31	31			
SPORT, RECREATION AND CULTURE	PUBLIC CONVENIENCES	–	–	–						
SPORT, RECREATION AND CULTURE	SPORT GROUNDS	1,538	3,321	2,958	2,620	2,292	2,292	4,380	4,808	1,112
Allocations to other priorities										
Total Capital Expenditure		100,502	146,105	260,538	118,021	148,780	148,780	123,861	105,850	100,855

7.3. Budget-related Policies overview and amendments

OVERVIEW OF BUDGET-RELATED POLICIES

Proper budgets are prepared in accordance with approved policies. A budget-related policy is a municipal policy affecting or affected by the annual budget of the municipality. These policies are necessary for effective financial management and the achievement of priorities and strategic goals of the community. The budget-related policies are reviewed annually during the budget preparation process.

Below is a list of the budget-related policies, including the purpose, last approval date of the policy and if any amendments need to be approved by council.

Policy name	Purpose of Policy (what is included in the policy)	Last approved	Amendments to be approved (YES/NO)
Rates Policy	Prescribes uniform rates structures to give effect to its strategic objectives in terms of the IDP and Budget requirements	03/05/11	YES
Tariff Policy	Prescribes uniform tariff structures on the levying of fees for municipal services provided	03/05/11	YES
Customer care, Indigent, Credit control, Debt collection and Tampering policy	Sets a revenue collection target and outlines how the municipality will act against defaulters ; Specifies the framework for providing relief from the burden of rates and tariffs to registered or otherwise identified indigents	03/05/11	YES
Cash Management and Investments policy	Deals with interest earned on investments and with raising both short and long-term debt	03/05/11	YES
Asset management policy	Includes capitalisation benchmarks, depreciation norms, and maintenance requirements	03/05/11	YES
Funding and Reserve policy	Includes policy on contributions to and withdrawals from funds and reserves, utilisation of unappropriated operating surpluses	03/05/11	YES
Debt and Borrowing policy	This policy provides for the municipality to obtain short- and long-term debt and set out all conditions under which the municipality will be entitled to obtain such debt	03/05/11	YES
Expenditure policy	Guidelines on expenditure procedures, stipulations of payments, process to follow when unauthorised, irregular, fruitless & wasteful expenditure occurs	03/05/11	YES
Virement policy	The process of transferring an approved budgetary provision from one operating cost element or capital project to another during a municipal financial year	03/05/11	YES
Supply Chain Management Policy	Demand, acquisition, disposal and logistics around the procurement of goods and services	09/12/11	YES

The above-mentioned draft policies are attached to the budget documentation as Annexure B.

KEY AMENDMENTS TO BUDGET-RELATED POLICIES

The additions to the policies are in bold and underline whilst the deletion are in brackets on the specific policies in Annexure B.

The following highlights the key amendments to the budget-related policies:

* Tariff Policy

- Definitions: Redefined definition of Accommodation Establishments
- Definitions: Added definition of Availability Charges
- Definitions: Adjusted definition for Indigent and Poor Households
- Paragraph 8(e): Added to Tariff determination process : "All tariff adjustments shall be effective from the first account levied in July of each year."
- Paragraph 14(1)(a-c): Introduced Inclining Block tariffs
- Paragraph 14(2): Set out Commercial supply usage
- Paragraph 15(2): Added consumers to category of Consumers with connections up to 25 mm

* Customer Care, Indigent and Credit Control and Debt Collection Policy

- Definitions: Adjusted definition for Indigent and Poor Households
- Paragraph 40: Added conditions for application for percentage reduction on account in event of water leakages.

* Virement policy

- Paragraph 5.1: Adjusted delegations of Directors to vire between sub-votes and not votes.

* Supply Chain Management Policy

SECTION 1: DEFINITIONS

The following definitions were included:

"Procurement" is the acquisition of goods

"Sole providers" can be broadly defined as manufacturers, licence holders, publishers, intellectual property holders or service providers appointed by a sole provider as their sole agent or distributor in a specific area

SECTION 5: SUB-DELEGATIONS

Paragraph 3(d) was amended from: *"the HDI status of the supplier or the percentage equity held by HDI's if it is a company, closed corporation, partnership or joint venture."*

To read as follows:

"the status of the supplier's level of contribution."

This is a requirement necessitated by legislation.

SECTION 14: LIST OF ACCREDITED PROSPECTIVE PROVIDERS

The following paragraph was added:

- (4) *As, in terms of Paragraph 46, no award may be given to a person who is in the service of the state, it is expected of all prospective bidders to declare their interests in the application form for listing on the Accredited Supplier Database.*

SECTION 36: DEVIATION FROM AND RATIFICATION OF MINOR BREACHES OF PROCUREMENT PROCESSES

The following will be deemed not to be deviations from SCM processes were included:

- (5)(vii) *The acquisition of services of medical specialists as may be required from time to time and in terms of the Pension Funds Amendment Act, Act 65 of 2001 and related regulations and amendments.*
- (viii) *The acquisition of services from a service provider that is a specialist in a specific and restricted field, as approved by the Accounting Officer or his/her delegated, whose services the municipality may require from time to time.*

SECTION 38: COMBATING OF ABUSE OF SUPPLY CHAIN MANAGEMENT SYSTEM

Include the following in Paragraph (1)(d)(i):

"if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the Municipality, or to any other Municipality or municipal entity, are in arrears for more than three months, except if an arrangement has been made in terms of the Municipality's Credit Control Policy. This arrangement must already be in place on or before the date and time the bid is advertised"

SECTION 46: PROHIBITION ON AWARDS TO PERSONS IN THE SERVICE OF THE STATE

Include Paragraph (2):

As no award may be given to a person who is in the service of the state, it is expected of all prospective bidders to declare their interests in the prescribed forms in bidding documents.

SECTION 47: AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE

Include the following paragraphs:

- (2) *All Supply Chain Management officials have to disclose and declare related parties on an annual basis.*
- (3) *All key management personnel have to disclose and declare related parties on an annual basis.*
- (4) *All members of Bid Committees have to declare their interest and disclose and declare related parties for each and every bid that they serve on as a member of a Bid Committee.*

SECTION 54: CONSTRUCTION INDUSTRY DEVELOPMENT BOARD

Include Paragraph (2)(ii):

- (2) *When evaluating construction related bids -*
 (ii) *the contractor's registration will be verified and has to be valid on the day the Bid Evaluation Committee evaluates the bid;*

SECTION 55: ARCHIVE OF BIDDING DOCUMENTS

Include new Section:

- (1) *Bidding documents have to be kept in a safe.*
- (2) *The following will be applicable before the destruction of any documents:*
 - (i) *Closed quotation documents have to be kept for a minimum of five (5) years;*
 - (ii) *The documents for tenders that were awarded for a period of less than one (1) year must be kept for a minimum of five (5) years;*
 - (iii) *The documents for tenders that were awarded for a period of more than one (1) year must be kept for a minimum of six (6) years or for a period of six (6) years after the completion of the project;*
 - (iv) *No documents can be destroyed without the written permission of the relevant director; and*
 - (v) *No documents of successful bidders may be destroyed.*

7.4. Overview of Budget Assumptions

Certain broad assumptions had been made on which the budget is based for the MTREF. These assumptions are based on external factors but also internal trends and factors. These assumptions provide a framework for setting priorities, determining service levels and allocating limited financial resources. This section provides a summary of the assumptions used in preparing the budget for the 2012/13 MTREF period.

EXTERNAL FACTORS

The Medium Term Budget Policy Statement 2011 notes that in recent months the domestic economy has lost momentum as a result of the disruption to world economic activity following the Japanese Tsunami, domestic strike activity and moderating household consumption. Real GDP is now expected to grow by 3.1 % in 2011.

When framing the budget, this had a direct impact on the budget as the trends in income growth statistics are still very low, indigent and poor households are growing and property markets not re-acting to the low interest rates.

All of these factors have a direct bearing on the budget as certain income projectors did not realize.

Another external factor which plays a major roll in the framing of our budget, is the recent drought situation in the Southern Cape Region. Although the drought situation has improved, it had a long term negative effect on water consumption patterns. This again impact on tariffs as the projected income was very much lower as before.

Consequently, municipal revenues and cash flows are expected to remain under pressure in the 2012/13 financial year.

CREDIT RATING OUTLOOK

No credit rating was done by any credit rating company, but the financial position of the municipality and management of our financial affairs are sound. A good rating can be expected that will favour Council if they want any bids from the open market for funding of infrastructure assets. Credit rating can be asked at a later stage.

INTEREST RATES FOR BORROWING AND INVESTMENTS

Council had resolved to take up an external loan for funding of a portion of the capital cost of the desalination plant. A total loan of R30 million was taken up during the 2011/12 financial year. The budget provides for the interest on this loan.

Investments made with various financial institutions are strictly in compliance with the Municipal Finance Management Act and the municipality's Cash Management and Investment Policy. The average rate of return on investments for the 2010/2011 year is 5.91%, and is estimated to be 5.68% for the 2011/2012 financial year.

RATES, TARIFFS, CHARGES AND TIMING OF COLLECTION

The following table shows the average increases in rates and tariff charges over the 2012/13 MTREF period:

	2012/13	2013/14	2014/15
Property Rates	8%	9%	10%
Electricity	11.03%	10%	11%
Water	8%	10%	10%
Sewerage	0%	0%	0%
Refuse	8%	12%	12%

The billing of the Property Rates is done on an annual basis during the month of July. All other tariff charges are billed on a monthly basis.

COLLECTION RATES FOR EACH REVENUE SOURCE AND CUSTOMER TYPE

The average collection rate in the cash collected from consumers expressed as a percentage of the amount billed and is currently 97% on a 12 month rolling period.

The average monthly collection rate for 2011/12 and the projections for the 2012/13 year are as follows:

	2011/12	2012/13
Property Rates (Average % of Monthly and Annual payments)	97%	97.5%
Electricity – Domestic consumers	106%	107%
Water	94%	95%
Sewerage (Average % of Monthly and Annual payments)	92%	93%
Refuse	97%	97.5%

As a result of negotiations with government departments, a higher collection rate is experienced. Good progress has also been made with the collection of old outstanding debts.

PRICE MOVEMENTS ON SPECIFICS

Purchase of bulk electricity from Eskom is budgeted to amount to R182 096 370 in the 2012/13 financial year, which is an estimated increase of 13,5%.

The projected increase in bulk water purchases is estimated at 26% to a budget of R12,6 million in the 2012/13 financial year. Estimated growth for the 2013/14 year is 10% and 8.2% for the 2014/15 year.

AVERAGE SALARY INCREASES

The personnel budget is calculated by reviewing the individual posts that is currently filled in the municipal organogram, as well as previous years' expenditure on the salary budget. Provision is also made for the filling of vacant and new posts during the 2011/12 financial year.

The following table indicates the average increase in gross personnel wages and salaries and councillor allowances for the 2012/13 MTREF:

	2012/13	2013/14	2014/15
Councillor allowances	7.5%	6%	5%
Senior managers	6.5%	6.5%	6.5%
Other personnel	6.5%	6.5%	6.5%

The percentage increase for other personnel is not only the increase in wages and salaries, but also includes the budget for new and vacant posts to be filled during the 2012/13 year. The budget provides for a net increase in salaries and wages of 6.5% for the 2012/13 financial year.

INDUSTRIAL RELATIONS CLIMATE AND CAPACITY BUILDING

The rendering of cost-effective and sustainable services to the entire community with diligence and empathy, is one of the municipality's mission statements. In order to render this effective and efficient service the municipality is committed to invest in the staff of the municipality.

The municipality also participates in the Municipal Finance Management Internship Programme and has employed five interns undergoing training in various sections of the Finance directorate.

The municipality has several training initiatives available to its employees and has a Skills programme in place. Some of the mentioned training initiatives are as follows:

<i>Training initiative:</i>	<i>Nr of Employees enrolled</i>
Minimum Competency level	15
IDP Learnership	1
Bricklayer, Plumbing & Carpentry Learnerships	25
Telemetric Water Sector Training Programme	4
Local Government Accounting Certificate	3
Local Government Advance Accounting Certificate	5
NQF 3 Water & Waste Water Learnership	5
Internship Programme	5

CHANGING DEMAND CHARACTERISTICS (DEMAND FOR SERVICES AND FREE OR SUBSIDISED BASIC SERVICES)

The growth in Mossel Bay has slowed down during the 2011 and 2012 financial years in terms of business activities.

In the property market there was an ongoing drop in the building of new houses and developments, as a result of the economic climate. There is however signs that the demand for credit remains weak and that credit extended to households have started to increase.

The labour market remains sluggish. Unemployment increased from 21.8% at the end of 2008 to 25.7% mid 2011.

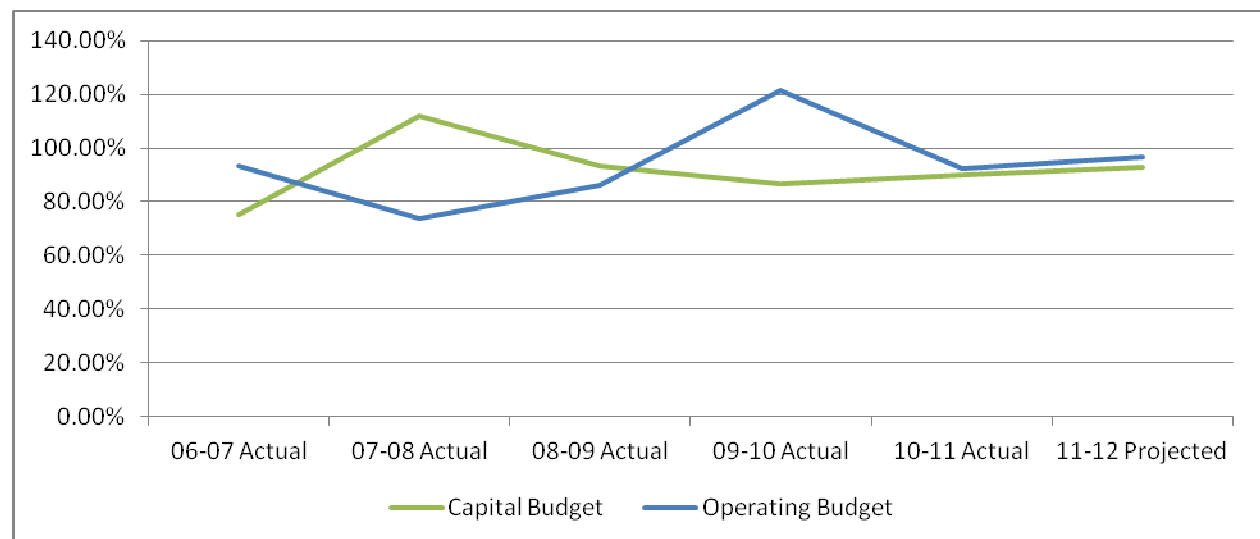
Mossel Bay is home to a number of poor households which causes unending housing and socio-economic backlogs. This is caused by the general influx of people from neighbouring towns, provinces and farms to seek employment and change their livelihood.

ABILITY OF MUNICIPALITY TO SPEND AND DELIVER ON PROGRAMS

Capital project expenditure for the 2010/11 financial year was 89.9% of the total capital budget. The capital spending is closely monitored by ways of monthly cash flows and monthly reporting to Council on capital expenditure. The projected capital spending for the 2011/12 financial year is 93%.

It is anticipated that 97% of the operating budget will be spent in the 2011/12 financial year.

The following graph shows the spending pattern on the capital and operating budget for Mossel Bay Municipality since the 2006/07 financial year:



7.5. Overview of Budget Funding

Section 18(1) of the MFMA states that an annual budget may only be funded from:

- * Realistically anticipated revenue to be collected,
- * Cash backed accumulated funds from previous years' surpluses not committed for other purposes, and
- * Borrowed funds, but only for the capital budget referred to in section 17(2).

Achievement of this requirement effectively means that Council must approve a balanced, credible and sustainable budget.

A Credible budget is a budget that:

- * Funds only activities consistent with the revised IDP and vice versa ensuring the IDP is realistically achievable given the financial constraints of the municipality,
- * Is achievable in terms of agreed service delivery and performance targets,
- * Contains revenue and expenditure projections that are consistent with current and past performance,
- * Does not jeopardise the financial viability of the municipality, and
- * Provides managers with appropriate levels of delegation sufficient to meet their financial management responsibilities.

A Sustainable budget is a budget which reflects sufficient revenue and adequate corporate stability in order to fund and deliver on service delivery and performance targets.

FISCAL OVERVIEW

The following table shows the municipality's performance on the 2009/10 and the 2010/11 budgets:

BUDGET	2009/10			2010/11		
	Budget R'000	Actual R'000	% perform	Budget R'000	Actual R'000	% perform
Operating Revenue	R584 507	R629 043	107.6%	R774 935	R723 686	93.4%
Operating Expenditure	R521 577	R634 740	121.7%	R628 730	R581 961	92.6%
Capital Expenditure	R169 703	R146 779	86.5%	R260 538	R234 104	89.9%

The above table shows that the municipality collected 107.6% of its budgeted Revenue in the 2009/10 financial year and 93.4% during the 2010/11 financial year. An amount of R97,7m for the revaluation of Investment property was not budgeted for in the 2009/10 financial year and is a non-cash entry. The budgeted contributions for R22,3 million from the Accumulated Surplus was not necessary. The contributions from External services was under by an amount R1 657 002. If these transactions are taken into account, the revenue performance for the 2009/10 operating budget is actually 94.5%.

The above table shows that the operating expenditure budget for the 2009/10 financial year is overspent with 21.7%. However, an amount of R186,4m for the revaluation of Investment property was not budgeted for and is a non-cash entry. An amount of R9,5 million was budgeted for the transfers for Land Sales and Ext. services to the reserves, which was transferred through the Statement of Changes in Net Assets.

An amount of R36,2 million was provided for a contribution to the CRR in the budget, which was transferred through the Statement of Changes in Net Assets and not as a direct contribution. Expenditure to the amount of R7,8 million for Housing top structures did not realise. If these transactions are taken into account, the expenditure performance for the 2009/10 operating budget is actually 94.2%.

The capital expenditure budget is mainly funded by own internal funds and grants and subsidies from national and provincial government.

The municipality prepared its 2010/11 Annual Financial Statements in accordance with the applicable GRAP standards and received an unqualified opinion from the Auditor-General.

FUNDING OF OPERATING AND CAPITAL EXPENDITURE

Operating Budget:

The table below identifies the sources of funding for the 2012/13 **cash** operating budget:

Source of Revenue	Amount	% of Total Revenue Budget
Property Rates	R 78 733 621	13.2%
Penalties Imposed and Collection Charges	R 2 000 000	0.3%
Service Charges	R 403 801 980	67.6%
Rent of Facilities and Equipment	R 4 629 044	0.8%
Interest Earned – External Investments	R 14 104 320	2.4%
Interest Earned – Outstanding Debtors	R 291 400	0.0%
Fines	R 6 060 750	1.0%
Licences and Permits	R 4 840 500	0.8%
Grants & Subsidies Received - Operating	R 68 011 723	11.4%
Other Revenue	R 15 175 118	2.5%
TOTAL	R 597 462 496	100.0%

Capital Budget:

The table below identifies the sources of funding for the 2012/13 capital budget:

Source of Funding	Amount	% of Total Budget
Capital Replacement Reserve (Internal)	R 72 009 370	58.1%
Municipal Infrastructure Grant	R 17 156 000	13.9%
Extended Public Works Programme	R 2 461 000	2.0%
Recoverable Developer	R 2 050 000	1.7%
Department of Energy	R 1 000 000	0.8%
External Loans	R 699 000	0.6%
Department of Human Settlements	R 22 465 400	18.1%
Community Development Workers	R 20 000	0.0%
Library Subsidy (Conditional Grant)	R 6 000 000	4.8%
TOTAL	R123 860 770	100.0%

CAPITAL REPLACEMENT RESERVE

The 2012/13 capital budget is mainly funded from internal funds. The following tables show the breakdown of the Capital Replacement Reserve of the municipality for the 2012/13 MTREF period:

CAPITAL REPLACEMENT RESERVE

BALANCE AS AT 30 JUNE 2011: R 54 623 570

2011/12	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 38 284 361
- Land Sales	R10 526 000
- Bulk Services Contributions	R 4 000 000
FINANCING CAPITAL BUDGET (CRR)	(R 89 908 350)

BALANCE AS AT 30 JUNE 2012: R 17 525 581

2012/13	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 47 587 601
- Land Sales	R 4 000 000
- Bulk Services Contributions	R 2 000 000
FINANCING CAPITAL BUDGET (CRR)	(R 72 009 370)

BALANCE AS AT 30 JUNE 2013: (R 896 188)

2013/14	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 52 407 441
- Land Sales	R 4 800 000
- Bulk Services Contributions	R 2 200 000
FINANCING CAPITAL BUDGET (CRR)	(R 67 714 550)

BALANCE AS AT 30 JUNE 2014: (R 9 203 297)

2014/15	
CONTRIBUTIONS:	
- Revenue & Depreciation	R 55 570 995
- Land Sales	R 4 800 000
- Bulk Services Contributions	R 2 200 000
FINANCING CAPITAL BUDGET (CRR)	(R 69 574 100)

BALANCE AS AT 30 JUNE 2015: (R 16 206 402)

CASH BACKED RESERVES / ACCUMULATED SURPLUS RECONCILIATION

The following table shows a breakdown of the Cash and investments available and the application of these funds for the 2011/12 MTREF period:

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand									
Cash and investments available									
Cash/cash equivalents at the year end	201,915	178,743	196,972	199,223	195,322	195,322	206,677	203,737	205,206
Other current investments > 90 days	(0)	(0)	(0)	0	0	0	-	-	-
Non current assets - Investments	-	-	-	-	-	-	-	-	-
Cash and investments available:	201,915	178,743	196,972	199,223	195,322	195,322	206,677	203,737	205,206
Application of cash and investments									
Unspent conditional transfers	14,321	13,754	23,987	7,033	7,033	7,033	10,000	15,000	5,000
Unspent borrowing	-	-	-	-	-	-	-	-	-
Statutory requirements	2,952	10,161	11,615	11,203	6,703	6,703	12,000	12,200	12,300
Other working capital requirements	41	719	51,092	(19,110)	(19,166)	(19,166)	24,132	14,108	14,343
Other provisions	10,558	6,425	5,578	1,624	1,624	1,624	1,399	1,579	1,858
Long term investments committed	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	111,663	82,691	31,770	8,449	8,449	8,449	1,904	2,400	1,700
Total Application of cash and investments:	139,535	113,750	124,043	9,199	4,643	4,643	49,434	45,287	35,201
Surplus(shortfall)	62,380	64,994	72,930	190,024	190,679	190,679	157,243	158,451	170,005

The above table indicates clearly that the reserves and various other obligations of the municipality is fully cash backed.

The mentioned obligations include:

- Unspent conditional grants
- Current portion of Provisions
- Statutory requirements (E.g. Consumer deposits)
- Other working capital requirements (E.g. Creditors, debtors)

FUNDING MEASUREMENT

The following two tables show the various funding measures and whether the budgets are fully funded or not:

Description	MFMA section	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Funding measures										
Cash/cash equivalents at the year end - R'000	18(1)b	201,915	178,743	196,972	199,223	195,322	195,322	206,677	203,737	205,206
Cash + investments at the yr end less applications - R'000	18(1)b	62,380	64,994	72,930	190,024	190,679	190,679	157,243	158,451	170,005
Cash year end/monthly employee/supplier payments	18(1)b	7.1	4.4	4.9	4.5	4.3	4.3	4.4	4.0	3.6
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	44,296	(5,698)	142,471	27,121	45,630	45,630	38,421	24,780	15,269
Service charge rev % change - macro CPIIX target exclusive	18(1)a,(2)	N.A.	5.8%	11.9%	9.3%	(7.3%)	(6.0%)	5.7%	3.3%	4.1%
Cash receipts % of Ratepayer & Other revenue	18(1)a,(2)	93.9%	92.4%	112.0%	106.8%	106.9%	106.9%	89.5%	93.9%	92.5%
Debt impairment expense as a % of total billable revenue	18(1)a,(2)	3.6%	3.3%	4.1%	2.5%	2.5%	2.5%	2.5%	2.4%	2.3%
Capital payments % of capital expenditure	18(1)c;19	98.2%	100.0%	89.9%	74.2%	73.9%	73.9%	100.0%	100.0%	100.0%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	0.2%	(1.1%)	(0.7%)	(0.5%)	(0.4%)	(0.4%)	(0.7%)	(0.8%)	(0.8%)
Grants % of Govt. legislated/gazetted allocations	18(1)a							104.0%	101.0%	100.9%
Current consumer debtors % change - incr(decr)	18(1)a	N.A.	42.5%	(18.1%)	8.7%	0.0%	0.0%	(21.9%)	(4.6%)	(5.0%)
Long term receivables % change - incr(decr)	18(1)a	N.A.	79.1%	(19.6%)	(13.6%)	0.0%	0.0%	18.4%	(2.8%)	(2.9%)
R&M % of Property Plant & Equipment	20(1)(vi)	4.0%	3.0%	2.6%	4.0%	4.3%	4.2%	4.1%	4.3%	4.8%
Asset renewal % of capital budget	20(1)(vi)	13.5%	20.1%	6.2%	11.3%	9.7%	9.7%	14.2%	18.3%	21.9%

Description	MFMA section	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Total Operating Revenue		434,390	572,244	543,977	646,124	659,658	659,658	686,429	726,255	813,300
Total Operating Expenditure		417,519	646,726	601,224	651,821	671,388	671,388	694,142	734,710	823,062
Operating Performance Surplus/(Deficit)		16,870	(74,483)	(57,248)	(5,698)	(11,730)	(11,730)	(7,713)	(8,455)	(9,763)
Cash and Cash Equivalents (30 June 2012)								206,677		
Revenue										
% Increase in Total Operating Revenue			31.7%	(4.9%)	18.8%	2.1%	0.0%	4.1%	5.8%	12.0%
% Increase in Property Rates Revenue			24.5%	17.7%	11.1%	0.5%	0.0%	9.2%	9.6%	10.6%
% Increase in Electricity Revenue			18.1%	22.1%	19.1%	(1.2%)	0.0%	11.5%	10.3%	11.3%
% Increase in Property Rates & Services Charges			11.8%	17.9%	15.3%	(1.3%)	0.0%	11.7%	9.3%	10.1%
Expenditure										
% Increase in Total Operating Expenditure			54.9%	(7.0%)	8.4%	3.0%	0.0%	3.4%	5.8%	12.0%
% Increase in Employee Costs			20.6%	4.3%	15.0%	(1.6%)	0.0%	6.2%	7.3%	7.8%
% Increase in Electricity Bulk Purchases			16.3%	25.3%	25.2%	2.2%	0.0%	13.5%	15.0%	15.0%
Average Cost Per Budgeted Employee Position (Remuneration)				182418.4386	225967.5471			200668.7027		
Average Cost Per Councillor (Remuneration)				271082.9278	0			366448.7391		
R&M % of PPE		4.0%	3.0%	2.6%	4.0%	4.3%	4.2%	4.1%	4.3%	4.8%
Asset Renewal and R&M as a % of PPE		3.0%	4.0%	2.0%	4.0%	4.0%	4.0%	3.0%	4.0%	4.0%
Debt Impairment % of Total Billable Revenue		3.6%	3.3%	4.1%	2.5%	2.5%	2.5%	2.5%	2.4%	2.3%
Capital Revenue										
Internally Funded & Other (R'000)		69,654	100,840	97,360	82,978	92,356	92,356	74,059	70,115	72,074
Borrowing (R'000)		3,929	—	130,475	2,224	2,288	2,288	699	175	485
Grant Funding and Other (R'000)		26,919	45,265	32,703	32,819	54,136	54,136	49,102	35,583	28,306
Internally Generated funds % of Non Grant Funding		94.7%	100.0%	42.7%	97.4%	97.6%	97.6%	99.1%	99.8%	99.3%
Borrowing % of Non Grant Funding		5.3%	0.0%	57.3%	2.6%	2.4%	2.4%	0.9%	0.2%	0.7%
Grant Funding % of Total Funding		26.8%	31.0%	12.6%	27.8%	36.4%	36.4%	39.6%	33.6%	28.1%
Capital Expenditure										
Total Capital Programme (R'000)		100,502	146,105	260,538	118,021	148,780	148,780	123,861	105,873	100,865
Asset Renewal		13,535	29,332	16,163	13,360	14,408	14,408	17,630	19,378	22,079
Asset Renewal % of Total Capital Expenditure		13.5%	20.1%	6.2%	11.3%	9.7%	9.7%	14.2%	18.3%	21.9%
Cash										
Cash Receipts % of Rate Payer & Other		93.9%	92.4%	112.0%	106.8%	106.9%	106.9%	89.5%	93.9%	92.5%
Cash Coverage Ratio		0	0	0	0	0	0	0	0	0
Borrowing										
Credit Rating (2009/10)								0		
Capital Charges to Operating		0.2%	0.2%	0.1%	0.1%	(0.2%)	(0.2%)	0.0%	(0.0%)	(0.0%)
Borrowing Receipts % of Capital Expenditure		0.2%	(1.1%)	(0.7%)	(0.5%)	(0.4%)	(0.4%)	(0.7%)	(0.8%)	(0.8%)
Reserves										
Surplus/(Deficit)		62,380	64,994	72,930	190,024	190,679	190,679	157,243	158,451	170,005
Free Services										
Free Basic Services as a % of Equitable Share		130.3%	130.8%	108.7%	129.6%	129.6%	128.5%	114.7%	111.7%	107.8%
Free Services as a % of Operating Revenue (excl operational transfers)		38.4%	7.4%	8.5%	9.1%	9.1%	8.2%	7.9%	7.7%	7.4%
High Level Outcome of Funding Compliance										
Total Operating Revenue		434,390	572,244	543,977	646,124	659,658	659,658	686,429	726,255	813,300
Total Operating Expenditure		417,519	646,726	601,224	651,821	671,388	671,388	694,142	734,710	823,062
Surplus/(Deficit) Budgeted Operating Statement		16,870	(74,483)	(57,248)	(5,698)	(11,730)	(11,730)	(7,713)	(8,455)	(9,763)
Surplus/(Deficit) Considering Reserves and Cash Backing		79,250	(9,489)	15,682	184,326	178,949	178,949	149,530	149,995	160,243
MTREF Funded (1) / Unfunded (0)		1	0	1	1	1	1	1	1	1
MTREF Funded ✓ / Unfunded ✗		✓	✗	✓	✓	✓	✓	✓	✓	✓

SOURCES OF FUNDING

Rates, tariffs and other charges

Please refer to Annexure A with the total Rates, Tariffs and other sundry charges for the 2012/13 financial year.

New Borrowing

Borrowing - Categorised by type	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Parent municipality										
Long-Term Loans (annuity/reducing balance)		576	573	444	412	412	412	389	375	320
Long-Term Loans (non-annuity)				30,000	23,839	23,839	23,839	27,000	24,000	21,000
Local registered stock										
Instalment Credit										
Financial Leases		2,419	1,522	1,920	1,480	1,480	1,480	1,350	1,290	1,240
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	2,995	2,096	32,364	25,730	25,730	25,730	28,739	25,665	22,560
Total Borrowing	1	2,995	2,096	32,364	25,730	25,730	25,730	28,739	25,665	22,560

Investments

INVESTMENTS BY TYPE

Investment type	Ref	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank		203,000	187,000	208,000	194,000	194,000	194,000	205,000	190,000	185,000
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	203,000	187,000	208,000	194,000	194,000	194,000	205,000	190,000	185,000
Consolidated total:		203,000	187,000	208,000	194,000	194,000	194,000	205,000	190,000	185,000

INVESTMENTS BY MATURITY

Investments by Maturity	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 3.	Expiry date of investment	Monetary value	Interest to be realised
Name of institution & investment ID	Yrs/Months						Rand thousand	
Parent municipality								
Standard Bank	11 months	Fixed Feposit	Yes	Fixed	7.3	31/12/2012	70,000	4,684,166.67
Ned Bank	11 months	Fixed Feposit	Yes	Fixed	5.95	31/05/2013	50,000	2,727
First National Bank	11 months	Fixed Feposit	Yes	Fixed	6.3	31/03/2013	10,000	578
ABSA Bank	11 months	Fixed Feposit	Yes	Fixed	6.15	31/12/2012	20,000	1,128
Standard Bank	11 months	Fixed Feposit	Yes	Fixed	6.6	31/01/2013	20,000	1,210
Nedbank	11 months	Fixed Feposit	Yes	Fixed	7.1	30/06/2013	35,000	2,277,916.67
Municipality sub-total							205,000	12,604
TOTAL INVESTMENTS AND INTEREST							205,000	12,604

Operating Grant allocations

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand									
RECEIPTS:									
Operating Transfers and Grants									
National Government:	24,490	28,023	41,817	42,907	45,369	45,369	44,545	47,905	52,373
Local Government Equitable Share	23,590	26,678	34,233	36,942	36,942	36,942	42,495	45,755	49,973
Finance Management	500	750	981	1,250	1,254	1,254	1,250	1,250	1,450
Municipal Systems Improvement	400	343	603	715	761	761	800	900	950
Provincial Management Support Grant	–	252	–	–	–	–	–	–	–
Electricity Demand Side Management	–	–	6,000	4,000	3,755	3,755	–	–	–
Expanded public works programme	–	–	–	–	2,656	2,656	–	–	–
Other transfers/grants [insert description]									
Provincial Government:	21,126	17,115	34,890	29,129	36,169	36,169	21,221	5,597	6,477
Housing	19,804	16,033	31,213	26,872	33,885	33,885	18,252	5,470	6,344
Community Development Workers	–	122	9	130	153	153	88	97	97
Libraries	501	799	731	761	761	761	927	–	–
Proclaimed Roads	811	–	–	50	50	50	50	–	–
Subsidy - Housing Trust Fund	–	–	–	1,300	1,300	1,300	1,880	–	–
Subsidy - Home owners education	–	147	1	–	4	4	–	–	–
Subsidy - Integration rural settlements	–	–	205	–	–	–	–	–	–
Subsidy - Housing operating balance	–	–	2,711	–	–	–	–	–	–
Subsidy - New settlers	10	13	21	16	16	16	24	30	36
Other transfers/grants [insert description]									
District Municipality:	355	–	–	–	–	–	–	–	–
Eden District Municipality	355	–	–	–	–	–			
Other grant providers:	962	721	2,451	3,545	10,997	10,997	2,435	753	839
SETA	452	563	793	900	900	900	600	660	739
Masimambane	371	87	–	250	250	250			
Public Contributions	140	71	1,658	2,395	9,847	9,847	1,835	93	100
Total Operating Transfers and Grants	46,934	45,859	79,157	75,581	92,535	92,535	68,201	54,254	59,689

Capital Grant allocations

Description R thousand	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
RECEIPTS:									
Capital Transfers and Grants									
National Government:	33,150	55,359	124,374	17,132	27,694	27,694	20,617	19,098	26,644
Municipal Infrastructure Grant (MIG)	28,822	17,497	13,974	14,143	16,801	16,801	17,156	18,098	19,144
Public Works	–	–	587	914	1,054	1,054	2,461	–	–
Water Affairs	2,828	–	–	–	–	–	–	–	–
Energy Efficiency & Demand Side Management	–	–	7,066	–	–	–	–	–	–
National Electrification Programme	–	3,305	7,435	2,000	2,938	2,938	1,000	1,000	7,500
Department of Mineral & Energy	–	15,000	–	–	4,779	4,779	–	–	–
Department of Social Services	1,500	3,000	3,141	–	121	121	–	–	–
Municipal System Improvement Grant	–	57	152	75	–	–	–	–	–
Drought Relief Grant	–	16,500	92,000	–	–	–	–	–	–
Department of Transport	–	–	–	–	–	–	–	–	–
Finance Management	–	–	19	–	–	–	–	–	–
Neighbourhood Development Partnership Grant	–	–	–	–	2,000	2,000	–	–	–
Provincial Government:	2,410	1,537	6,467	15,687	25,243	25,243	28,485	16,485	1,662
Housing	2,410	1,537	6,173	14,800	22,595	22,595	22,465	16,470	1,647
Financial Management Support Grant	–	–	–	–	50	50	–	–	–
Community Development Workers Grant	–	–	–	–	95	95	20	15	15
Other	–	–	294	887	2,503	2,503	6,000	–	–
District Municipality:	–	23,520	1,862	–	–	–	–	–	–
Eden District Municipality	–	23,520	1,862	–	–	–	–	–	–
Other grant providers:	161	–	14,935	3,950	6,759	6,759	2,050	2,400	2,500
Public Contributions	161	–	14,935	3,950	6,759	6,759	2,050	2,400	2,500
Masibambani	–	–	–	–	–	–	–	–	–
Total Capital Transfers and Grants	35,721	80,417	147,638	36,769	59,695	59,695	51,152	37,983	30,806
TOTAL RECEIPTS OF TRANSFERS & GRANTS	82,655	126,276	226,795	112,350	152,230	152,230	119,353	92,237	90,495

7.6. Expenditure on allocations and grant programmes

Operating Grant expenditure

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
EXPENDITURE:									
Operating expenditure of Transfers and Grants									
National Government:	24,490	28,023	38,473	42,907	45,369	45,369	44,545	47,905	52,373
Local Government Equitable Share	23,590	26,678	34,233	36,942	36,942	36,942	42,495	45,755	49,973
Finance Management	500	750	1,128	1,250	1,254	1,254	1,250	1,250	1,450
Municipal Systems Improvement	400	343	681	715	761	761	800	900	950
Provincial Management Support Grant	–	252	2	–	–	–	–	–	–
Electricity Demand Side Management	–	–	2,429	4,000	3,755	3,755	–	–	–
Expanded public works programme	–	–	–	–	2,656	2,656	–	–	–
Other transfers/grants [insert description]									
Provincial Government:	21,126	17,115	29,603	29,129	36,169	36,169	21,221	5,597	6,477
Housing	19,804	16,033	25,923	26,872	33,885	33,885	18,252	5,470	6,344
Community Development Workers	–	122	7	130	153	153	88	97	97
Libraries	501	799	731	761	761	761	927	–	–
Proclaimed Roads	811	–	–	50	50	50	50	–	–
Subsidy - Housing Trust Fund	–	–	–	1,300	1,300	1,300	1,880	–	–
Subsidy - Home owners education	–	147	30	–	4	4	–	–	–
Subsidy - Integration rural settlements	–	–	181	–	–	–	–	–	–
Subsidy - Housing operating balance	–	–	2,711	–	–	–	–	–	–
Subsidy - New settlers	10	13	21	16	16	16	24	30	36
Other transfers/grants [insert description]									
District Municipality:	355	–	–	–	–	–	–	–	–
Eden District Municipality	355	–	–	–	–	–	–	–	–
Other grant providers:	962	721	1,335	3,545	10,997	10,997	2,435	753	839
SETA	452	563	863	900	900	900	600	660	739
Masimambane	371	87	89	250	250	250	–	–	–
Public Contributions	140	71	383	2,395	9,847	9,847	1,835	93	100
Total operating expenditure of Transfers and Grants	46,934	45,859	69,410	75,581	92,535	92,535	68,201	54,254	59,689

Capital Grant expenditure

Description	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
R thousand									
EXPENDITURE:									
Capital expenditure of Transfers and Grants									
National Government:	33,150	55,359	124,380	17,132	27,694	27,694	20,617	19,098	26,644
Municipal Infrastructure Grant (MIG)	28,822	17,497	13,974	14,143	16,801	16,801	17,156	18,098	19,144
Public Works	–	–	587	914	1,054	1,054	2,461	–	–
Water Affairs	2,828	–	–	–	–	–	–	–	–
Energy Efficiency & Demand Side Management	–	–	7,066	–	–	–	–	–	–
National Electrification Programme	–	3,305	7,435	2,000	2,938	2,938	1,000	1,000	7,500
Department of Mineral & Energy	–	15,000	–	–	4,779	4,779	–	–	–
Department of Social Services	1,500	3,000	3,141	–	121	121	–	–	–
Municipal System Improvement Grant	–	57	152	75	–	–	–	–	–
Drought Relief Grant	–	16,500	92,000	–	–	–	–	–	–
Department of Transport	–	–	–	–	–	–	–	–	–
Finance Management	–	–	25	–	–	–	–	–	–
Neighbourhood Development Partnership Grant	–	–	–	–	2,000	2,000	–	–	–
Provincial Government:	2,410	1,537	6,467	15,687	25,243	25,243	28,485	16,485	1,662
Housing	2,410	1,537	6,173	14,800	22,595	22,595	22,465	16,470	1,647
Financial Management Support Grant	–	–	–	–	50	50	–	–	–
Community Development Workers Grant	–	–	–	–	95	95	20	15	15
Other	–	–	294	887	2,503	2,503	6,000	–	–
District Municipality:	–	23,520	1,862	–	–	–	–	–	–
Eden District Municipality	–	23,520	1,862	–	–	–	–	–	–
Other grant providers:	161	–	14,935	3,950	6,759	6,759	2,050	2,400	2,500
Public Contributions	161	–	14,935	3,950	6,759	6,759	2,050	2,400	2,500
Masibambani	–	–	–	–	–	–	–	–	–
Total capital expenditure of Transfers and Grants	35,721	80,417	147,644	36,769	59,695	59,695	51,152	37,983	30,806
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS	82,655	126,276	217,054	112,350	152,230	152,230	119,353	92,237	90,495

7.7. Transfers and grants made by the municipality

Description	Ref	2008/9	2009/10	2010/11	Current Year 2011/12				2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash Transfers to other municipalities <i>Insert description</i>	1										
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms <i>Insert description</i>	2										
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State <i>Insert description</i>	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations	4										
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals	5										
Grants & Donations-Public		286	523	560	550	550	550		650	696	751
Grants & Donations - District		-	-	-	-	15	15		15	15	15
Grant In Aid-Services		2,341	1,806	2,244	3,432	2,210	2,210		4,545	5,222	5,794
Sub: Benefit Discount Scheme		384	344	331	332	311	311		290	305	329
Total Cash Transfers To Groups Of Individuals:		3,010	2,673	3,134	4,314	3,086	3,086	-	5,500	6,237	6,889
TOTAL CASH TRANSFERS AND GRANTS	6	3,010	2,673	3,134	4,314	3,086	3,086	-	5,500	6,237	6,889

7.8. Councillor allowances and employee benefits

VACANT POSTS TO BE FILLED

VACANT POSTS 2012/2013 - M1						
TASK GRADE	GRADE NUMBER	OCCUPATION	VOTE	DESCRIPTION	Budget Period	Budget
7	100025	PA - Mayor	11112	Council		R 149,437
10	200023	Head : Support Services	11112	Council		R 205,624
15	200054	Head : Change Management	12200	Corporate		FROZEN
11	200044	Admin Officer : Contract & Property Management	12200	Corporate		FROZEN
11	202012	Personnel Officer (Labour Relations)	12222	Human Resources		R 239,314
11	500015	SMME Development Officer	12242	SED	01.01.2013	R 121,298
12	800025	Accountant : Rates & Tax	13300	Income		FROZEN
5	800060	Clerk : Accounts	13300	Income		R 110,051
6	803008	Clerk	13372	SCM		R 126,703
11	803009	Admin Officer	13372	SCM		R 239,314
9	404013	Special Workman	14464/8	Streets & Stormwater		R 195,358
6	902003	Process Controller	14472	Pinnacle Point		R 126,703
5	409004	Learner Process Controller	14473	Regional Sewerage Works		R 110,051
6	901006	Laboratory Assistant	14473	Sewerage		R 126,703
6	403006	Handy Man	14478	Sewerage		R 126,703
10	406025	Assistant Supervisor	14483	Sandhoogte Water Purification	01.01.2013	R 108,844
6	405016	Special Workman	14487	Water		R 126,703
6	405013	Special Workman	14487	Water		R 126,703
6	200031	Secretary	15552	Refuse		R 126,703
11	604001	Waste Management Officer	15552	Refuse		R 239,314
6	404016	Truck Driver	15552	Refuse		R 126,703
6	604006	Truck Driver	15554	Transfer Station		R 126,703
6	205036	Junior Fireman	15560	Fire Brigade		R 126,703
11	407050	Superintendent	15583	Plantation		R 239,314
9	203049	Traffic Officer	15585	Traffic		R 195,358
9	203044	Traffic Officer	15585	Traffic		FROZEN
9	203055	Traffic Officer	15585	Traffic	01.10.2012	R 146,518
8	203001	Administration Control	15585	Traffic	01.10.2012	R 126,882
11	203002	Traffic Administration Control	15585	Traffic		FROZEN
6	203006	Clerk : Administration	15585	Traffic	01.09.2012	R 106,759
6	203026	Clerk Grade III (Traffic)	15585	Traffic		FROZEN
9	203048	Traffic Officer - Grade II	15585	Traffic		FROZEN
9	203053	Traffic Officer - Grade II	15585	Traffic	01.01.2013	R 97,679
9	203065	Traffic Officer - Grade II	15585	Traffic	01.09.2012	R 155,646
13	701029	Electrical Engineering Technician	16614	Electricity		R 311,744
10	701022	Electrician	16614	Electricity		R 205,624
10	701027	Electrician	16614	Electricity		R 205,624
13	401016	Assistant Town Planner	17742	Town Planning		R 311,744
11	401002	Building Control Officer	17742	Town Planning		FROZEN
10	401013	Plan Examiner	17742	Town Planning		R 205,624
GRAND TOTAL						R 5,294,151

VAKANTE POSTE 2012/2013 - M2					
TASK GRADE	GRADE NUMBER	OCCUPATION	VOTE	DESCRIPTION	Budget
2	404105	Worker	14464/8	Streets	R 97,825
2	404164	Worker	14464/8	Streets	R 97,825
2	404181	Worker	14464/8	Streets	R 97,825
2	404128	Worker	14464/8	Streets	R 97,825
2	404111	Worker	14478	Sewerage	R 97,825
2	404102	Worker	14478	Sewerage	R 97,825
2	604145	Worker	15552	Refuse	R 97,825
2	604130	Worker	15553	Cleaning of Streets	R 97,825
2	2121000	Worker	15553	Street Cleaning	R 97,825
2	604148	Worker	15554	Transfer Station	R 97,825
2	604116	Worker	15554	Transfer Station	R 97,825
4	407107	Operator	15582	Parks	R 101,699
4	407162	Operator	15582	Parks	R 101,699
4	410104	Operator	15592	Sportsfield	R 101,699
4	701115	Operator	16614	Electrical	FROZEN
4	701126	Operator	16614	Electrical	FROZEN
Grand Total					R 1,381,172

NEW POSTS TO BE FILLED

NEW POSTS 2012/2013					
TASK GRADE	GRADE NUMBER	OCCUPATION	VOTE	Budget Period	Budget
MUNICIPAL MANAGER					
MUNICIPAL MANAGER					
7	500001	Junior Secretary	11100	01.10.2012	R 114,200
LEGAL SERVICES					
14	126002	Prosecutor	11126		R 448,212
6	126003	Process Clerk	11126		R 126,703
6	126004	Interpretor	11126		R 126,703
6	126005	Clerk/Cashier	11126		R 126,703
5	126006	Security Guard	11126	01.08.2012	R 101,378
9	126007	Traffic Officer	11126	01.08.2012	R 170,138

NEW POSTS 2012/2013					
TASK GRADE	GRADE NUMBER	OCCUPATION	VOTE	Budget Period	Budget
CORPORATIVE SERVICES					
CUSTOMER CARE					
12	500050	Thusong Centre Manager	12214	01.02.2013	R 109,268
5	500051	Security	12214	01.02.2013	R 43,363
2	500052	General Worker	12214	01.02.2013	R 38,599
SOCIO-ECON PLANNING					
11	500016	Project Manager (SMMW Training - Rural Development	12242	01.03.2013	R 82,739
6	500017	EPWP Admin Officer (Contract)	12242		R 108,000
11	500018	Tourism Development Officer	12242	01.01.2013	R 121,298
TECHNICAL SERVICES					
STREETS & STORMWATER					
4	404190	Machine Operator	14468	01.01.2013	R 53,568
FINANCIAL SERVICES					
FINANCE					
18	800061	Deputy Chief Financial Officer	13300	01.11.2012	R 498,458
COMMUNITY SERVICES					
LAW ENFORCEMENT					
6	203081	Law Enforcement Officer	15570		R 126,703
6	203082	Law Enforcement Officer	15570		R 126,703
6	203083	Law Enforcement Officer	15570		R 126,703
8	203080	Supervisor	15570		R 165,995
PARKS					
6	407197	Carpenter/Handy Man	15582	01.10.2012	R 96,788
TOWN PLANNING & BUILDING CONTROL					
HUMAN SETTLEMENT					
12	301001	Public Relations Officer	17774	01.01.2013	R 147,932
6	301002	Field Worker	17774	01.01.2013	R 66,873
Grand Total					R 3,127,027

BUDGET SCHEDULES**DISCLOSURE OF SALARIES, ALLOWANCES AND BENEFITS**

Disclosure of Salaries, Allowances & Benefits 1.	No.	Salary	Contributions	Allowances	Performance Bonuses	In-kind benefits	Total Package
Rand per annum			1.				2.
Councillors							
Executive Mayor			657,787			20,253	678,040
Deputy Executive Mayor			526,230			20,253	546,483
Speaker			526,230			20,253	546,483
3 X Member of Executive Committee			2,466,700			101,265	2,567,965
20 X Part-time Councillor			3,749,397			239,953	3,989,350
Locomotion Claims			100,000				100,000
Total Councillors	-	-	8,026,344	-	-	401,977	8,428,321
Senior Managers of the Municipality							
Municipal Manager (MM)			1,408,006		117,334		1,525,340
Chief Finance Officer			1,183,584		96,084		1,279,668
Director Electricity Services			1,154,842		96,237		1,251,079
Director Corporate Services			952,801		79,400		1,032,201
Director Community Services			1,027,558		83,082		1,110,640
Director Development and Planning			1,020,844		85,070		1,105,914
Total Senior Managers of the Municipality	-	-	6,747,635	-	557,207		7,304,842
TOTAL COST OF COUNCILLOR, DIRECTOR and EXECUTIVE REMUNERATION	-	-	14,773,979	-	557,207		15,733,163

SUMMARY OF COUNCILLOR AND STAFF BENEFITS

Summary of Employee and Councillor remuneration R thousand	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
	A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)									
Basic Salaries and Wages	5,148	5,487	5,930	6,985	7,859	7,859	7,926	8,402	8,822
Pension and UIF Contributions									
Medical Aid Contributions									
Motor Vehicle Allowance									
Cellphone Allowance									
Housing Allowances									
Other benefits and allowances	279	294	305	419	430	430	502	532	559
Sub Total - Councillors	5,427	5,781	6,235	7,404	8,289	8,289	8,428	8,934	9,381
% increase		6.5%	7.8%	18.7%	12.0%	-	1.7%	6.0%	5.0%
Senior Managers of the Municipality									
Basic Salaries and Wages	6,121	6,064	5,867	6,363	6,363	6,363	6,748	6,741	7,285
Pension and UIF Contributions									
Medical Aid Contributions									
Overtime									
Performance Bonus	610	883	905	911	911	911	557	1,039	1,117
Motor Vehicle Allowance									
Cellphone Allowance									
Housing Allowances									
Other benefits and allowances									
Payments in lieu of leave									
Long service awards									
Post-retirement benefit obligations									
Sub Total - Senior Managers of Municipality	6,731	6,946	6,772	7,274	7,274	7,274	7,305	7,780	8,402
% increase		3.2%	(2.5%)	7.4%	-	-	0.4%	6.5%	8.0%
Other Municipal Staff									
Basic Salaries and Wages	76,499	91,559	97,995	113,507	111,714	111,714	120,570	128,637	137,336
Pension and UIF Contributions	13,230	15,553	17,130	21,921	21,332	21,332	23,111	25,288	27,746
Medical Aid Contributions	6,565	7,352	7,621	10,028	9,471	9,471	9,488	10,342	11,480
Overtime	7,211	8,177	8,362	8,660	7,704	7,704	7,678	8,159	8,835
Performance Bonus									
Motor Vehicle Allowance	3,097	3,401	3,553	3,849	4,360	4,360	4,604	4,868	5,561
Cellphone Allowance	-	-	-	-	-	-	-	-	-
Housing Allowances	1,116	1,006	892	1,222	1,215	1,215	1,159	1,206	1,254
Other benefits and allowances	3,059	3,853	4,122	4,197	4,710	4,710	4,505	4,847	5,164
Payments in lieu of leave	1,818	1,869	3,167	2,716	2,716	2,716	1,380	1,505	1,625
Long service awards	736	1,294	1,406	1,522	1,522	1,522	1,539	1,662	1,806
Post-retirement benefit obligations	7,834	13,878	10,387	11,430	11,430	11,430	12,883	14,042	15,362
Sub Total - Other Municipal Staff	121,165	147,941	154,635	179,051	176,171	176,171	186,918	200,556	216,170
% increase		22.1%	4.5%	15.8%	(1.6%)	-	6.1%	7.3%	7.8%
Total Parent Municipality	133,323	160,669	167,642	193,728	191,734	191,734	202,652	217,270	233,953
		20.5%	4.3%	15.6%	(1.0%)	-	5.7%	7.2%	7.7%
TOTAL SALARY, ALLOWANCES & BENEFITS	133,323	160,669	167,642	193,728	191,734	191,734	202,652	217,270	233,953
% increase		20.5%	4.3%	15.6%	(1.0%)	-	5.7%	7.2%	7.7%
TOTAL MANAGERS AND STAFF	127,896	154,888	161,407	186,325	183,445	183,445	194,223	208,336	224,572

SUMMARY OF PERSONNEL NUMBERS

Summary of Personnel Numbers Number	Ref	2010/11			Current Year 2011/12			Budget Year 2012/13		
		Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities										
Councillors (Political Office Bearers plus Other Councillors)		23	23					23	23	–
Board Members of municipal entities	4							–	–	–
Municipal employees	5							–	–	–
Municipal Manager and Senior Managers	3	7	–	7	28	27	1	6	–	6
Other Managers	7	23	22	1	–	–	–	19	17	2
Professionals		61	56	5	36	34	2	19	14	–
<i>Finance</i>		20	15	5	11	10	1	4	4	–
<i>Spatial/town planning</i>		4	4		3	3	–	6	1	–
<i>Information Technology</i>		3	3		–	–	–	1	1	–
<i>Roads</i>		3	3		2	2	–	–	–	–
<i>Electricity</i>		2	2		–	–	–	–	–	–
<i>Water</i>		5	5		3	3	–	–	–	–
<i>Sanitation</i>					1	1	–	–	–	–
<i>Refuse</i>		1	1		–	–	–	–	–	–
<i>Other</i>		23	23		16	15	1	8	8	–
Technicians		135	129	3	203	191	12	88	62	4
<i>Finance</i>		11	8		7	4	3	8	2	3
<i>Spatial/town planning</i>		11	11		10	10	–	13	10	1
<i>Information Technology</i>		4	4		4	4	–	2	2	–
<i>Roads</i>		5	5		24	23	1	7	6	–
<i>Electricity</i>		23	23		24	24	–	7	6	–
<i>Water</i>		4	4		34	32	2	8	8	–
<i>Sanitation</i>					10	9	1	–	–	–
<i>Refuse</i>		2	2		–	–	–	3	2	–
<i>Other</i>		75	72	3	90	85	5	40	26	–
Clerks (Clerical and administrative)		202	187	15	105	105	–	177	163	7
Service and sales workers					47	40	7	97	65	–
Skilled agricultural and fishery workers					–	–	–	–	–	–
Craft and related trades					–	–	–	50	37	–
Plant and Machine Operators		30	28		45	40	5	77	62	–
Elementary Occupations		432	418	9	353	353	–	429	420	–
TOTAL PERSONNEL NUMBERS		913	863	40	817	790	27	985	863	19
% increase					(10.5%)	(8.5%)	(32.5%)	20.6%	9.2%	(29.6%)
Total municipal employees headcount	6									
Finance personnel headcount	8	83	78	5	68	64	4	80	74	1
Human Resources personnel headcount	8	12	12		11	11	–	13	12	–

7.9. Monthly targets for revenue, expenditure and cash flow**BUDGETED MONTHLY REVENUE AND EXPENDITURE (MUNICIPAL VOTE)**

Description R thousand	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue by Vote															
Vote 1 - MUNICIPAL MANAGER	2,745	397	722	1,925	2,655	4,631	4,496	1,362	1,033	2,040	1,226	10,395	33,627	38,253	38,881
Vote 2 - CORPORATE SERVICES	13	13	232	29	12	280	26	17	148	135	186	3,906	4,997	1,144	1,237
Vote 3 - FINANCIAL SERVICES	75,916	1,271	789	715	2,170	548	934	647	625	600	1,714	492	86,420	94,678	104,693
Vote 4 - CIVIL SERVICES	66,973	9,179	10,733	8,038	6,682	12,250	16,148	9,420	8,072	8,156	12,613	18,040	186,304	198,044	216,780
Vote 5 - COMMUNITY SERVICES	4,470	8,326	8,173	4,706	5,891	8,887	7,372	7,722	5,918	5,322	6,533	6,282	79,602	80,248	86,126
Vote 6 - ELECTRICITY SERVICES	27,681	23,253	23,619	22,055	22,259	24,503	25,361	22,375	23,188	22,505	23,264	28,083	288,148	317,495	359,188
Vote 7 - DEVELOPMENT PLANNING & HOUSING	361	1,046	448	473	445	408	673	548	551	467	434	47,609	53,464	29,629	31,426
Total Revenue by Vote	178,159	43,485	44,719	37,941	40,115	51,507	55,011	42,090	39,535	39,226	45,970	114,806	732,563	759,491	838,331
Expenditure by Vote to be appropriated															
Vote 1 - MUNICIPAL MANAGER	2,768	1,840	1,809	2,348	2,128	2,140	2,949	2,314	2,272	1,838	2,319	26,002	50,726	55,306	60,296
Vote 2 - CORPORATE SERVICES	1,415	1,567	1,616	1,883	1,458	1,758	1,541	2,176	1,864	2,067	2,568	1,589	21,502	22,723	24,142
Vote 3 - FINANCIAL SERVICES	2,387	2,571	2,841	2,939	2,887	3,266	2,675	3,107	2,759	2,988	3,114	(3,157)	28,378	29,372	30,852
Vote 4 - CIVIL SERVICES	9,251	10,612	14,442	15,630	12,267	17,067	15,700	14,097	13,719	17,229	15,421	35,571	191,007	205,065	221,804
Vote 5 - COMMUNITY SERVICES	6,798	7,973	8,412	10,153	8,468	13,486	12,742	10,749	9,394	10,138	9,065	19,366	126,743	132,318	142,953
Vote 6 - ELECTRICITY SERVICES	6,566	25,071	25,329	16,205	15,527	16,391	17,344	15,908	15,043	16,461	15,649	46,638	232,130	263,603	299,425
Vote 7 - DEVELOPMENT PLANNING & HOUSING	1,162	1,168	1,341	1,611	1,541	2,261	1,697	5,613	2,045	1,931	3,424	19,862	43,656	26,322	43,591
Total Expenditure by Vote	30,346	50,803	55,789	50,769	44,277	56,367	54,647	53,963	47,096	52,652	51,559	145,872	694,142	734,710	823,062
Surplus/(Deficit) before assoc.	147,812	(7,317)	(11,070)	(12,828)	(4,162)	(4,861)	364	(11,873)	(7,561)	(13,426)	(5,590)	(31,066)	38,421	24,780	15,269
Taxation												-	-	-	-
Attributable to minorities												-	-	-	-
Share of surplus/ (deficit) of associate												-	-	-	-
Surplus/(Deficit)	147,812	(7,317)	(11,070)	(12,828)	(4,162)	(4,861)	364	(11,873)	(7,561)	(13,426)	(5,590)	(31,066)	38,421	24,780	15,269

BUDGETED MONTHLY REVENUE AND EXPENDITURE (STANDARD CLASSIFICATION)

Description R thousand	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue - Standard															
<i>Governance and administration</i>	78,661	1,668	1,605	2,657	4,826	5,320	5,440	2,014	1,667	2,649	3,111	11,145	120,764	133,713	144,436
Executive and council	2,745	397	722	1,925	2,655	4,631	4,496	1,362	1,033	2,040	1,210	10,395	33,611	38,236	38,861
Budget and treasury office	414	357	701	548	426	357	364	456	451	416	381	342	5,213	5,773	6,476
Corporate services	75,502	914	182	185	1,745	333	580	197	182	193	1,520	409	81,940	89,705	99,098
<i>Community and public safety</i>	1,249	3,774	3,682	1,183	2,607	4,106	1,749	4,139	2,336	1,728	1,357	51,628	79,537	50,590	50,353
Community and social services	46	1,385	248	55	1,387	232	43	2,668	236	42	55	1,156	7,552	690	759
Sport and recreation	455	1,904	1,941	467	331	2,668	856	392	822	743	318	2,270	13,169	13,967	10,395
Public safety	712	450	1,458	626	853	1,175	817	1,044	1,251	905	951	996	11,236	12,718	14,805
Housing	35	35	34	36	35	32	33	35	28	38	33	47,206	47,580	23,215	24,394
Health	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>	340	1,024	871	449	424	831	658	526	980	573	417	15,923	23,015	11,685	14,568
Planning and development	338	1,024	553	449	421	514	656	526	663	555	416	4,051	10,164	6,776	7,407
Road transport	2	0	318	0	3	317	2	0	317	18	2	11,872	12,851	4,909	7,161
Environmental protection	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<i>Trading services</i>	97,909	37,019	38,561	33,651	32,259	41,249	47,164	35,412	34,552	34,276	41,084	36,110	509,247	563,502	628,974
Electricity	27,681	23,253	23,619	22,055	22,259	24,503	25,361	22,375	23,188	22,505	23,264	28,083	288,148	317,495	359,188
Water	12,616	8,032	8,167	7,284	6,420	9,323	12,196	8,762	7,191	7,567	9,486	4,434	101,477	119,957	135,957
Waste water management	54,355	1,147	2,249	754	260	2,610	3,950	657	563	572	3,125	1,734	71,977	73,177	73,663
Waste management	3,257	4,587	4,526	3,559	3,320	4,812	5,657	3,618	3,610	3,632	5,209	1,859	47,645	52,873	60,167
<i>Other</i>	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Total Revenue - Standard	178,159	43,485	44,719	37,941	40,115	51,507	55,011	42,090	39,535	39,226	45,970	114,806	732,563	759,491	838,331
Expenditure - Standard															
<i>Governance and administration</i>	6,636	6,092	6,296	7,293	6,647	7,309	7,340	7,518	6,945	6,910	7,902	20,038	96,926	103,251	110,750
Executive and council	2,578	1,476	1,462	2,118	1,775	1,877	2,690	1,658	1,889	1,499	1,754	25,400	46,176	50,424	54,991
Budget and treasury office	1,571	1,894	2,085	2,016	2,036	2,301	1,972	2,052	2,143	2,136	2,334	(6,411)	16,128	16,740	17,768
Corporate services	2,486	2,722	2,749	3,160	2,836	3,131	2,678	3,808	2,914	3,275	3,814	1,049	34,622	36,087	37,991
<i>Community and public safety</i>	5,017	5,387	6,042	6,440	5,923	10,192	9,924	11,688	7,159	7,149	8,079	28,584	111,584	96,403	118,785
Community and social services	857	938	996	1,012	962	1,406	1,066	1,085	1,072	1,131	1,048	1,406	12,979	13,947	15,114
Sport and recreation	1,676	1,871	2,453	2,541	2,052	5,403	5,375	3,356	2,822	2,674	2,284	6,657	39,162	39,543	42,250
Public safety	2,175	2,291	2,257	2,476	2,492	2,996	3,143	3,184	2,558	3,001	2,690	4,777	34,040	35,877	38,374
Housing	308	288	336	411	418	386	340	4,064	708	343	2,058	15,744	25,403	7,036	23,047
Health	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<i>Economic and environmental services</i>	1,958	2,053	3,869	4,809	3,149	6,410	4,766	3,601	4,512	5,345	4,438	8,000	52,910	56,605	60,629
Planning and development	1,134	1,126	1,372	1,481	1,416	2,208	1,642	2,063	1,721	2,046	1,950	5,456	23,614	25,058	26,728
Road transport	824	928	2,497	3,328	1,734	4,202	3,124	1,538	2,791	3,299	2,488	2,544	29,296	31,546	33,901
Environmental protection	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
<i>Trading services</i>	16,735	37,270	39,583	32,227	28,558	32,457	32,617	31,156	28,479	33,249	31,141	89,251	432,722	478,452	532,898
Electricity	6,469	24,967	25,217	16,092	15,417	16,246	17,198	15,769	14,898	16,321	15,507	46,437	230,539	261,899	297,587
Water	5,004	5,757	7,777	6,546	6,430	7,307	8,136	7,225	6,765	8,044	8,548	22,238	99,778	106,746	116,436
Waste water management	3,173	3,673	3,883	5,465	3,747	5,223	4,126	5,037	3,874	5,551	4,042	14,048	61,842	66,854	71,659
Waste management	2,089	2,873	2,705	4,124	2,963	3,680	3,158	3,124	2,942	3,332	3,043	6,527	40,562	42,952	47,215
<i>Other</i>	—	—	—	—	—	—	—	—	—	—	—	—	—	0	0
Total Expenditure - Standard	30,346	50,803	55,789	50,769	44,277	56,367	54,647	53,963	47,096	52,652	51,559	145,872	694,142	734,710	823,062
Surplus/(Deficit) before assoc.	147,812	(7,317)	(11,070)	(12,828)	(4,162)	(4,861)	364	(11,873)	(7,561)	(13,426)	(5,590)	(31,066)	38,421	24,780	15,269
Share of surplus/ (deficit) of associate	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
Surplus/(Deficit)	147,812	(7,317)	(11,070)	(12,828)	(4,162)	(4,861)	364	(11,873)	(7,561)	(13,426)	(5,590)	(31,066)	38,421	24,780	15,269

BUDGETED MONTHLY REVENUE AND EXPENDITURE (PER SOURCE / PER TYPE)

Description	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
R thousand	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Revenue By Source															
Property rates	75,345	762	(86)	(25)	1,564	(1)	397	(0)	3	7	1,157	0	79,125	86,717	95,878
Property rates - penalties & collection charges	156	150	162	191	177	186	143	188	165	176	172	133	2,000	2,100	2,247
Service charges - electricity revenue	20,773	22,113	23,416	21,810	22,040	24,270	24,748	21,608	22,936	22,371	23,150	26,153	275,388	303,657	337,919
Service charges - water revenue	6,225	7,969	6,352	6,794	6,333	7,350	9,094	8,267	7,025	7,503	7,059	3,244	83,215	92,000	102,000
Service charges - sanitation revenue	50,641	1,100	253	293	252	200	93	203	100	118	83	109	53,445	53,604	53,970
Service charges - refuse revenue	3,256	4,337	3,283	3,290	3,318	3,338	3,329	3,345	3,341	3,360	3,359	974	38,530	43,650	49,443
Service charges - other	17,552	3,610	2,039	968	777	682	1,354	754	1,239	1,052	644	336	31,007	33,373	35,562
Rental of facilities and equipment	266	887	584	281	308	315	403	389	363	334	267	230	4,629	5,160	5,790
Interest earned - external investments	2,458	118	142	1,746	1,215	676	601	1,295	724	1,546	1,105	2,479	14,104	14,371	13,607
Interest earned - outstanding debtors	27	27	26	26	26	24	24	22	22	23	22	22	291	309	296
Dividends received													-	-	-
Fines	354	7	1,043	345	342	807	435	552	814	578	597	187	6,061	7,267	8,713
Licences and permits	355	417	397	277	511	363	370	482	418	301	346	604	4,841	5,309	5,939
Agency services													-	-	-
Transfers recognised - operational	113	28	5,440	1,258	100	10,821	11,802	1,926	939	948	7,512	27,124	68,012	49,594	69,834
Other revenue	636	639	1,668	686	1,830	1,229	2,214	441	1,442	910	495	13,569	25,758	29,117	32,067
Gains on disposal of PPE	-	-	-	1	-	5	2	0	2	-	-	12	23	27	34
Total Revenue (excluding capital transfers and contributions)	178,159	42,163	44,719	37,941	38,793	50,265	55,011	39,471	39,535	39,226	45,970	75,177	686,429	726,255	813,300
Expenditure By Type															
Employee related costs	12,563	12,574	12,980	14,058	13,344	17,355	14,614	14,242	14,208	14,525	15,534	37,047	193,043	207,094	223,284
Remuneration of councillors	508	769	593	592	591	643	854	806	894	669	673	837	8,428	8,934	9,381
Debt impairment	-	-	-	-	-	-	-	-	-	-	-	14,000	14,000	14,700	15,435
Depreciation & asset impairment	530	530	530	7,046	530	6,337	1,503	3,727	1,528	7,592	1,528	17,324	48,704	53,333	56,093
Finance charges	-	-	25	-	0	27	20	260	-	-	32	2,586	2,949	2,728	2,576
Bulk purchases	4,831	23,049	24,418	12,740	13,598	12,418	16,553	13,971	13,311	14,586	15,215	30,008	194,696	223,271	255,822
Other materials	887	1,055	653	816	882	1,118	1,102	1,035	891	845	973	412	10,668	11,201	12,276
Contracted services	1,282	2,237	1,884	2,607	2,287	3,242	4,305	3,029	2,667	1,769	2,580	2,997	30,884	32,720	35,303
Transfers and grants	499	476	458	472	442	449	453	417	409	456	486	483	5,500	6,237	6,889
Other expenditure	9,246	10,113	14,249	12,439	12,604	14,769	15,154	16,477	13,188	12,210	14,540	39,931	184,920	174,144	205,656
Loss on disposal of PPE	-	-	1	-	-	11	89	-	-	-	-	248	348	348	348
Total Expenditure	30,346	50,803	55,789	50,769	44,277	56,367	54,647	53,963	47,096	52,652	51,559	145,872	694,142	734,710	823,062
Surplus/(Deficit)	147,812	(8,639)	(11,070)	(12,828)	(5,484)	(6,102)	364	(14,493)	(7,561)	(13,426)	(5,590)	(70,695)	(7,713)	(8,455)	(9,763)
Transfers recognised - capital	-	1,322	-	-	1,322	1,241	-	2,619	-	-	-	39,629	46,133	33,236	25,032
Contributions recognised - capital	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Contributed assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	147,812	(7,317)	(11,070)	(12,828)	(4,162)	(4,861)	364	(11,873)	(7,561)	(13,426)	(5,590)	(31,066)	38,421	24,780	15,269
Taxation													-	-	-
Attributable to minorities													-	-	-
Share of surplus/ (deficit) of associate													-	-	-
Surplus/(Deficit)	147,812	(7,317)	(11,070)	(12,828)	(4,162)	(4,861)	364	(11,873)	(7,561)	(13,426)	(5,590)	(31,066)	38,421	24,780	15,269

BUDGETED MONTHLY CAPITAL EXPENDITURE (MUNICIPAL VOTE)

Description R thousand	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Multi-year expenditure to be appropriated															
Vote 1 - MUNICIPAL MANAGER												–	–	–	–
Vote 2 - CORPORATE SERVICES	–	–	8	–	35	100	–	–	–	–	–	–	143	147	15
Vote 3 - FINANCIAL SERVICES	–	–	–	–	5	15			5			699	724	205	500
Vote 4 - CIVIL SERVICES	135	115	838	1,553	2,080	565	2,098	1,945	2,798	2,691	2,711	2,413	19,940	39,606	41,275
Vote 5 - COMMUNITY SERVICES		10	622	445	240	155	10	1,761	760		20	1,955	5,978	2,264	5,467
Vote 6 - ELECTRICITY SERVICES	100	100	250	750	1,850	100	1,050	2,245	2,045	2,110	2,305	1,320	14,225	18,925	21,425
Vote 7 - DEVELOPMENT PLANNING & HOUSING	1,872	1,872	1,872	1,872	1,872	1,872	1,902	1,872	1,872	1,872	1,872	1,873	22,495	16,490	1,667
Capital multi-year expenditure sub-total	2,107	2,097	3,590	4,620	6,082	2,807	5,060	7,823	7,480	6,673	6,908	8,261	63,505	77,637	70,349
Single-year expenditure to be appropriated															
Vote 1 - MUNICIPAL MANAGER	52	102	102	1,552	2	–	–	–				(310)	1,500	500	–
Vote 2 - CORPORATE SERVICES	500	500	506	800	50	346	250	500	500	–	–	760	4,711	680	55
Vote 3 - FINANCIAL SERVICES	5	11	–	5	90	4						150	266	–	–
Vote 4 - CIVIL SERVICES	217	1,149	2,037	4,502	5,430	2,362	3,530	3,057	3,510	2,560	2,085	1,895	32,334	18,514	26,199
Vote 5 - COMMUNITY SERVICES			1,630	720	2,230	780	800	2,155	360	430	1,440	4,048	14,594	6,342	862
Vote 6 - ELECTRICITY SERVICES			1,000	500	500	–	500	1,260	1,400	570	870	260	6,860	2,000	3,400
Vote 7 - DEVELOPMENT PLANNING & HOUSING								50	40			–	90	200	–
Capital single-year expenditure sub-total	774	1,762	5,275	8,079	8,302	3,492	5,080	7,022	5,810	3,560	4,395	6,803	60,355	28,236	30,516
Total Capital Expenditure	2,881	3,859	8,865	12,699	14,384	6,299	10,140	14,845	13,290	10,233	11,303	15,064	123,861	105,873	100,865

BUDGETED MONTHLY CAPITAL EXPENDITURE (STANDARD CLASSIFICATION)

Description R thousand	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Capital Expenditure - Standard															
<i>Governance and administration</i>	557	613	616	2,357	632	465	250	500	505	–	–	849	7,345	1,532	570
Executive and council	52	102	102	1,552	2	–	–	–	–	–	–	–	1,810	500	–
Budget and treasury office	5	11	–	5	95	19	–	–	5	–	–	849	990	205	500
Corporate services	500	500	514	800	535	446	250	500	500	–	–	–	4,545	827	70
<i>Community and public safety</i>	1,872	1,872	4,114	2,957	4,312	2,057	2,672	4,178	2,882	2,302	3,332	7,877	40,427	24,756	5,526
Community and social services	–	–	–	30	100	25	–	31	160	200	–	6,004	6,550	81	2
Sport and recreation	–	–	2,182	310	2,245	140	300	655	850	230	320	–	7,232	6,405	2,807
Public safety	–	–	60	745	95	20	500	1,620	–	–	1,140	–	4,180	1,800	1,070
Housing	1,872	1,872	1,872	1,872	1,872	1,872	1,872	1,872	1,872	1,872	1,872	1,873	22,465	16,470	1,647
Health	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<i>Economic and environmental services</i>	292	1,204	1,912	3,367	4,490	1,705	3,015	2,752	2,295	1,250	645	100	23,027	15,074	16,764
Planning and development	–	–	–	–	–	–	30	50	40	–	–	–	120	220	20
Road transport	292	1,204	1,912	3,367	4,490	1,705	2,985	2,702	2,255	1,250	645	100	22,907	14,854	16,744
Environmental protection	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
<i>Trading services</i>	160	170	2,223	4,018	5,400	2,050	4,203	7,415	7,608	6,681	7,326	5,788	53,040	64,501	77,995
Electricity	100	100	1,250	1,250	2,350	100	1,550	3,505	3,445	2,680	3,175	1,580	21,085	20,925	24,825
Water	50	50	543	930	1,188	210	145	790	1,273	1,430	1,298	980	8,885	25,776	32,155
Waste water management	10	10	370	1,598	1,633	690	2,198	1,510	2,781	2,571	2,853	4,238	20,460	17,480	18,565
Waste management	–	10	60	240	230	1,050	310	1,610	110	–	–	(1,010)	2,610	320	2,450
<i>Other</i>						22						–	22	10	10
Total Capital Expenditure - Standard	2,881	3,859	8,865	12,699	14,834	6,299	10,140	14,845	13,290	10,233	11,303	14,614	123,861	105,873	100,865

BUDGETED MONTHLY CASH FLOWS

MONTHLY CASH FLOWS	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash Receipts By Source															
Property rates	16,227	11,344	10,891	7,093	2,731	5,123	4,973	4,775	4,521	4,376	3,359	3,320	78,734	86,295	95,418
Property rates - penalties & collection charges	156	150	162	191	177	186	143	188	165	176	172	133	2,000	2,100	2,247
Service charges - electricity revenue	20,262	21,331	20,557	20,354	19,103	22,581	21,503	19,672	21,011	20,773	21,662	19,989	248,798	275,068	306,216
Service charges - water revenue	5,277	6,199	4,899	5,605	5,246	7,102	2,936	7,915	6,844	6,590	6,798	1,400	66,810	74,826	82,367
Service charges - sanitation revenue	4,737	4,846	3,569	3,965	1,437	2,791	707	2,589	2,443	2,496	1,725	1,568	32,872	31,488	31,502
Service charges - refuse revenue	2,186	2,198	2,211	2,221	2,256	2,253	2,257	2,400	2,416	2,425	2,864	1,327	27,014	31,953	35,996
Service charges - other	12,138	966	2,546	537	5,577	1,240	1,039	583	2,123	111	500	946	28,307	30,538	32,585
Rental of facilities and equipment	266	887	584	281	308	315	403	389	363	334	267	230	4,629	5,160	5,790
Interest earned - external investments	2,458	118	142	1,746	1,215	676	601	1,295	724	1,546	1,105	2,479	14,104	14,371	13,607
Interest earned - outstanding debtors	27	27	26	26	26	24	24	22	22	23	22	22	291	309	296
Dividends received															
Fines	354	7	1,043	345	342	807	435	552	814	578	597	187	6,061	7,267	8,713
Licences and permits	355	417	397	277	511	363	370	482	418	301	346	604	4,841	5,309	5,939
Agency services															
Transfer receipts - operational	113	28	5,440	1,258	100	10,821	11,802	1,926	939	948	7,512	27,124	68,012	49,594	69,834
Other revenue	347	361	1,092	510	387	1,054	270	371	1,138	423	413	8,808	15,175	16,796	18,248
Cash Receipts by Source	64,904	48,879	53,560	44,410	39,416	55,334	47,466	43,158	43,943	41,100	47,342	68,137	597,648	631,073	708,759
Other Cash Flows by Source															
Transfer receipts - capital	-	-	-	-	-	-	-	-	-	-	-	46,153	46,153	28,766	35,385
Contributions recognised - capital & Contributed a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Proceeds on disposal of PPE					17,500							17,500	35,000	2,500	2,000
Short term loans															
Borrowing long term/refinancing	(33)	(35)	(34)	(33)	(31)	(37)	(35)	(32)	(34)	(34)	(36)	(125)	(500)	(550)	(600)
Increase (decrease) in consumer deposits	54	63	50	57	54	73	30	81	70	67	69	(319)	350	375	400
Decrease (Increase) in non-current debtors															
Decrease (increase) other non-current receivable	116	116	117	117	119	119	119	127	128	128	151	(858)	500	550	375
Decrease (increase) in non-current investments															
Total Cash Receipts by Source	65,040	49,024	53,693	44,551	57,057	55,489	47,580	43,333	44,106	41,261	47,528	130,489	679,151	662,714	746,319

BUDGETED MONTHLY CASH FLOWS (Continued)

MONTHLY CASH FLOWS R thousand	Budget Year 2012/13												Medium Term Revenue and Expenditure Framework		
	July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
Cash Payments by Type															
Employee related costs	12,563	12,574	12,823	14,058	13,344	17,355	14,614	14,242	14,208	14,525	15,534	21,402	177,241	189,886	204,490
Remuneration of councillors	508	769	593	592	591	643	854	806	894	669	673	837	8,428	8,934	9,381
Finance charges	–	–	25	–	0	27	20	260	–	–	32	2,586	2,949	2,728	2,576
Bulk purchases - Electricity	4,831	23,049	22,577	12,452	13,042	12,418	14,559	13,583	12,149	13,157	12,946	27,334	182,096	209,411	240,822
Bulk purchases - Water & Sewer	–	–	1,841	288	555	–	1,994	388	1,162	1,430	2,269	2,674	12,600	13,860	15,000
Other materials	887	1,055	653	816	882	1,118	1,102	1,035	891	845	973	412	10,668	11,201	12,276
Contracted services	1,282	2,237	1,884	2,607	2,287	3,242	4,305	3,029	2,667	1,769	2,580	2,997	30,884	32,720	35,303
Transfers and grants - other municipalities	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Transfers and grants - other	82	63	55	71	56	71	65	44	43	89	157	160	955	1,015	1,095
Other expenditure	5,334	5,947	9,516	14,264	8,485	16,014	11,987	14,734	10,097	14,580	11,285	49,565	171,809	161,290	187,787
Cash Payments by Type	25,487	45,694	49,965	45,147	39,242	50,886	49,501	48,120	42,111	47,063	46,448	107,968	597,631	631,045	708,730
Other Cash Flows/Payments by Type															
Capital assets	222	678	3,202	7,540	8,257	5,442	8,288	11,768	12,478	10,461	10,986	44,540	123,861	105,873	100,865
Repayment of borrowing	250	250	250	250	250	250	250	250	250	250	250	50	2,800	2,750	2,700
Other Cash Flows/Payments	(1,881)	(9,806)	(24,404)	(28,122)	(9,346)	(7,945)	(10,191)	(7,455)	(6,628)	(3,489)	(2,543)	33,236	(78,575)	(74,013)	(67,445)
Total Cash Payments by Type	24,078	36,816	29,013	24,815	38,403	48,633	47,848	52,683	48,211	54,284	55,140	185,793	645,717	665,654	744,850
NET INCREASE/(DECREASE) IN CASH HELD	40,962	12,208	24,680	19,736	18,654	6,856	(268)	(9,349)	(4,105)	(13,023)	(7,612)	(55,304)	33,434	(2,940)	1,469
Cash/cash equivalents at the month/year begin:	173,244	214,206	226,414	251,093	270,829	289,483	296,339	296,071	286,722	282,617	269,594	261,982	173,244	206,677	203,737
Cash/cash equivalents at the month/year end:	214,206	226,414	251,093	270,829	289,483	296,339	296,071	286,722	282,617	269,594	261,982	206,677	206,677	203,737	205,206

7.10. Contracts having future budgetary implications

Description	Ref	Preceding Years	Current Year 2011/12	2012/13 Medium Term Revenue & Expenditure Framework			Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Total Contract Value
R thousand	1,3	Total	Original Budget	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:														
Revenue Obligation By Contract	2													
RO Water Reclamation to PetroSA		-	-	-	-	-	-	-	-	-	-	-	-	-
Bank Contract		-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid System		9,112	5,250	5,775	6,353	-	-	-	-	-	-	-	-	-
Desalination Plant		-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Revenue Implication		9,112	5,250	5,775	6,353	-	-	-	-	-	-	-	-	26,491
Expenditure Obligation By Contract	2													
RO Water Reclamation to PetroSA		4,165	4,076	4,320	4,579	4,854	5,146	5,454	5,781	6,128	6,496	6,626	6,427	64,054
Bank Contract		6,797	2,123	-	-	-	-	-	-	-	-	-	-	8,920
Prepaid System		-	-	-	-	-	-	-	-	-	-	-	-	-
Desalination Plant		3,706	7,136	6,533	5,900	6,195	6,504	6,830	7,171	7,530	7,906	8,301	7,803	81,514
Total Operating Expenditure Implication		14,669	13,334	10,853	10,479	11,049	11,650	12,284	12,953	13,658	14,402	14,927	14,231	154,488
Capital Expenditure Obligation By Contract	2													
RO Water Reclamation to PetroSA		44,219	328	347	368	390	414	438	465	493	522	548	521	49,053
Bank Contract		-	-	-	-	-	-	-	-	-	-	-	-	-
Prepaid System		-	-	-	-	-	-	-	-	-	-	-	-	-
Desalination Plant		100,000	-	-	-	-	-	-	-	-	-	-	-	100,000
Total Capital Expenditure Implication		144,219	328	347	368	390	414	438	465	493	522	548	521	149,053
Total Parent Expenditure Implication		158,888	13,662	11,200	10,847	11,439	12,063	12,722	13,417	14,151	14,924	15,476	14,751	303,542

7.11. Annual budgets and service delivery agreements – other external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand
Call Centre - Eden Distric Mun CAPMAN Business Engineering/Eden Distric Council Ignite Advisory Services	12m 1m	To be signed C439086(P/O) C704220 C246484(Item)	Radio Comm Network Leave e system Collaborator CPM		0
OTHER:					
Comwezi Security Services Ltd	36m	C378372	Security Services	30-06-2012	0
Fleet Africa (pty) Ltd	36m	C435870	Fleet Management	31-07-2012	
Nashua			Rental Various Photocopiers, fax machines, Service Agreement & Copies	Various	Various
Minolta			Rental Various Photocopiers, fax machines, Service Agreement & Copies	Various	Various
Rentokil			Various Hygine Services, Various buildings	Various	Various
Wispernet	10m	C771330	Radio Network Maintenance(R10 000.00 + VAT / m)	30/06/2012	0
SPCA	36	C429945	Providing pounding services	30/06/2012	0
Mossel Bay Tourism	36	C435875	Providing Tourism function	30/06/2012	2
Debtmanager (Pty) Ltd	36	737759	Debt Recovery (R175 115.00 /m)	30/06/2014	2
Cab Holdings	36	C738363	Printing & Distribution of Monthly Service Acc (min R15 000.00 / m)	30/06/2014	0
Combo Sign Pty Ltd	48	C410252	Outdoor Media - Street Refuse Containers	31/12/2013	1
CCM Transport	12		Removal garden & Domestic Refuse Friemersheim & GBR		
CCM Transport	12		Removal garden & Domestic Refuse Buysplaas & MB		
CCM Transport	12		Removal garden & Domestic Refuse Kwa, Kleinberg, Bartelsftn, Brandwag, p/o Asla		
CCM Transport	72		PetroSA - Refuse dump site		
A J Boshoff	12		Removal garden & Domestic Refuse Island & GBR		
ACE Waste Removal	72		PetroSA - Refuse dump site		
Nedbank	10	C433615	Bank - Overdraft facility	30/09/2010	10
Independent Entrepreneurs Ass	36	C764113	Entrepreneurs - Good Shed	31-12-2014	0
Suid-Kaap Stereo	12	C701703	Radio - Air Time	30-06-2012	0
Actaris SA (Pty) Ltd	30	C444576	Various Pay points	30-06-2012	
Eden FM	12	C714330	Radio - Air Time	31-07-2012	0
Transnet	36	C763693	Hire Good Shed for Entrepreneur	31-12-2014	0
Meyer Otto Consulting Serv	36	C758574	Internal Auditors	3006-2014	
Pay At Services		C656523	Third party: payments	03-01-2013	

7.12. Annual budgets and service delivery and budget implementation plans –internal departments

In terms of Section 53(1)(c)(ii) of the Municipal Finance Management Act (MFMA), the mayor must take all reasonable steps to ensure that the municipality's service delivery and budget implementation plan (SDBIP) is approved by the Mayor within 28 days after the approval of the budget.

The Mayor must also ensure that the revenue and expenditure projections for each month and the service delivery targets and performance indicators for each quarter, as set out in the SDBIP, are made public no later than 14 days after the approval of the SDBIP. Mossel Bay Municipality's SDBIP for the 2012/13 financial year will therefore be approved by the Mayor 28 days after the approval of the 2012/13 Annual Budget.

A brief executive summary of the each department is given below:

Municipal Manager:

Description of services provided:

The Municipal Manager is responsible for promoting good governance; ensuring effective and efficient basic service delivery; ensuring effective and efficient institutional development and transformation; ensuring effective and efficient financial viability and management; promoting participative management; strategic planning; promoting Council's objectives by ensuring tasks are implemented.

Description of Senior management capability and structure:

Dr M R Gratz – MBBCH D.A. BCom BCom (Hons)

15 Years municipal experience, 9 years as Senior Manager.

The staff compliment of the Directorate is as follows:

- 1 Personal assistant to Municipal Manager
- 1 Personal assistant to Executive Mayor
- 1 Executive Official: Strategic Services
- 1 Official: Full time Councillor support

Alignment of performance objectives to IDP:

100 % align with the SDBIP.

Changes to service levels and standards:

No significant changes to report.

Corporate Services:

Description of services provided:

The Directorate is responsible for support services which include the Secretariat, Typing Services, Archives, Switchboard and Cleaning, Legal Services, Human Resources, Change Management (Integrated Development Plan, Employment Equity and Performance Management System) and Socio-Economic Development (Local Economic Development, Youth Development, Ward Committees and Tourism).

Description of Senior management capability and structure:

E W Jantjies — B. Econ (HDE)

17 Years municipal experience, 4 ½ years as Senior Manager

The sections under this directorate are as follows:

- * SED
- * Support services
- * Legal services
- * Human Resources
- * Change Management

Alignment of performance objectives to IDP:

100 % align with the SDBIP.

Changes to service levels and standards:

No significant changes to report.

Past year's performance:

Please refer to the SDBIP and Annual Report.

Departmental Capital programme:

Corporate services only 4 % of total Capital budget.

Financial Services:

Description of services provided:

Effective financial management of the Department. Deliver Financial Management and advisory services to all Departments. Reduce risk, ensure efficient and effective use of financial resources and ensure clean audit reports and sustainability within the Department.

Description of Senior management capability and structure:

The staff compliment of the Directorate is as follows:

- Chief Financial Officer
- 1 x Secretary
- 5 x Section Heads
- 3 x Senior Accountants
- 8 x Accountants
- 1 x Valuer
- 3 x Administrative Officers
- 3 x Data Capturers
- 2 x I.T. Technicians
- 47 x Clerks

Alignment of performance objectives to IDP:

100 % align with the SDBIP.

Changes to service levels and standards:

No changes were encountered to service levels and standards over the period covered in the MTREF.

Past year's performance:

All performance targets were met.

Risks to achieving revenue projections:

No major risks expected.

Technical Services:

Description of services provided:

The Technical Services Directorate is responsible for the provision and maintenance of the following infrastructure and services:

Electricity and Street Lighting:

Electricity is supplied to approximately 30 000 industrial, commercial and domestic customers at voltages ranging between 230V and 66000V. Approximately 10 000 streetlights and floodlights are maintained by the department. Electricity is supplied in accordance with NRS 047 and 048 Standards and the Electricity Regulation Act.

Water and Sanitation:

Water is supplied to approximately 33 000 customers and sanitation is supplied to 28 000 customers in accordance with the Water Services Act.

Streets and Stormwater:

Approximately 421 km of road infrastructure is maintained to various rural and urban areas.

Mechanical Services:

This department is responsible for fleet management and the maintenance of water and sewerage pump stations.

Description of Senior management capability and structure:

The Directorate is managed by a Director and five Heads of Departments. The Directorate has a total staff complement of 300 employees who serve the communities from various offices/depots in Mossel Bay, Hartenbos and Great Brak.

Changes to service levels and standards:

Services have been maintained at acceptable levels in accordance with the various legislative requirements.

Past year's Performance

The Directorate has handled a total of 126 capital projects of which 122 projects were fully completed. The slow progress on some projects was attributed mainly to delays in environmental approvals, delays with the transfer of grant funding and lengthy delivery periods on some electrical equipment.

The Directorate was able to undertake various maintenance and refurbishment tasks on electrical, mechanical and civil engineering infrastructure in accordance with preventative maintenance plans.

Alignment with the IDP

All performance objectives are linked to the IDP

A summary of revenue by source and operating and capital expenditure

Refer to the budget.

Risks to achieving revenue projections

The high cost of electricity and energy conservation measures could result in lower consumption and income from sales.

Description of major features of expenditure

Provision has been made on the operating budget for the operation and maintenance of the desalination and the reclamation plants.

The departmental capital programme

The directorate is responsible for approximately 60% of the overall capital budget.

Community Services:

Description of services provided:

The Community Services Directorate is responsible for the following services:

Traffic and Public Safety:

The department looks after traffic signs and road markings. They are also responsible for Law Enforcement, Driver's License and Traffic Control.

Fire and Rescue services:

This department's responsibility is amongst others Fire fighting & Prevention, Disaster Management and other emergency services.

Parks and Recreation:

The responsibility of Environment, Beaches and Sport is vested in this department.

Waste Management:

This department looks after Waste Management in all its forms as well as Air Noise Pollution.

Library services:

This department looks after 15 libraries which are situated in the municipal area including the rural areas.

Alignment of performance objectives to IDP:

The Directorate's performance objectives are derived from the IDP and filters down to the SDBIP. The five National Key Performance Areas are included in the IDP.

Past year's performance:

The directorate performed well and almost 90% of all targets were met.

Departmental Capital programme:

The Directorate is responsible for 16% of the municipality's capital programme. On average an expenditure rate of more than 90% is achieved and maintained.

Development and Planning:

Description of services provided:

The Directorate is currently responsible for planning (strategic planning and development control), building control (building plan examining, building inspectorate, maintenance of municipal buildings and outdoor advertising), human settlements (housing), environmental management, leasing and alienation of municipal properties and law enforcement pertaining to the Directorate.

Description of Senior management capability and structure:

The staff compliment of the Directorate is as follows:

- Director
- 3 x Heads of Sub-Directorates: Planning, Building Control and Human Settlements and Head of Legal Section
- 3 x Town Planning officials
- 3 x Section Heads: Plan Examining, Building Inspectorate and Human Settlements
- 1 x Environmentalist

- 6 x Building Inspectors
- 2 x Plan Examiners
- 2 x Building Technicians
- 12 x Administrative staff

Alignment of performance objectives to IDP:

Chapter 6.2 Of The Idp Kpa 2: Land & Integrated Human Settlements: Land & Integrated Human Settlements Strategy, Budget Alignment Number Lh.3.2.1

DEVELOPMENT OBJECTIVE

- The Municipality acts as an Agent for National and Provincial Government to provide affordable and quality housing to all the residents of Mossel Bay;
- To facilitate the required processes to ensure that all people have access to decent and affordable housing;
- To identify available land suitable for development to local people and investors from outside the Municipal area of jurisdiction;
- To ensure that the Mossel Bay SDF is properly adhered to when development applications are approved;
- 90% spending of DORA allocations earmarked for Human Settlements;
- To identify available land provided for a new cemetery;
- To promote the development of retirement villages.

CHALLENGES

- Insufficient funding from National and Provincial Government for all housing needs;
- Insufficient land available for Integrated Human Settlements

DEVELOPMENT ACTIVITIES

- Involve Ward Committees to obtain data on the number of people without proper housing especially backyard dwellers;
- Review availability of suitable land to provide for business, commercial and industrial development.

STRATEGIES/PERFORMANCE INDICATORS

- An Integrated Human Settlements Plan & Strategy be approved
- Densification as a possible housing strategy must be considered due to the lack of suitable land;
- Suitable land is to be identified;
- Cognisance must be taken that the Home Owners Education programme is proceeding well

Changes to service levels and standards:

No changes were encountered to service levels and standards over the MTREF period.

Past year's performance:

All performance targets were met.

Risks to achieving revenue projections:

No major risks or shifts in revenue patterns are expected.

Major features of expenditure & Departmental Capital programme:

Major features of expenditure (non-discretionary) are DORA-allocations for Human Settlement:

- 2011/2012 – R41 671 891
- 2012/2013 – R40 717 024
- 2013/2014 – R21 838 000

7.13. Measurable performance objectives and indicators

FINANCIAL INDICATORS

The following schedule shows various performance indicators and benchmarks:

Description of financial indicator	Basis of calculation	2008/9	2009/10	2010/11	Current Year 2011/12			2012/13 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2012/13	Budget Year +1 2013/14	Budget Year +2 2014/15
<u>Borrowing Management</u>										
Credit Rating										
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.2%	0.2%	0.1%	0.1%	-0.2%	-0.2%	0.0%	0.0%	0.0%
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.2%	0.2%	0.1%	0.1%	-0.2%	-0.2%	0.0%	0.0%	0.0%
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure ex cl. transfers and grants and contributions	0.2%	-1.5%	-0.8%	-0.5%	-0.5%	-0.5%	-0.7%	-0.8%	-0.9%
<u>Safety of Capital</u>										
Gearing	Long Term Borrowing/ Funds & Reserves	2.7%	2.5%	3.2%	304.6%	304.6%	304.6%	1509.6%	-377.2%	-155.5%
<u>Liquidity</u>										
Current Ratio	Current assets/current liabilities	3.4	2.3	1.6	3.3	3.2	3.2	2.6	2.7	3.0
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	3.4	2.3	1.6	3.3	3.2	3.2	2.6	2.7	3.0
Liquidity Ratio	Monetary Assets/Current Liabilities	2.5	1.5	1.2	2.3	2.3	2.3	1.9	2.0	2.3
<u>Revenue Management</u>										
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		94.2%	92.5%	112.0%	106.9%	107.0%	89.6%	94.0%	92.6%
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			93.9%	92.4%	112.0%	106.8%	106.9%	89.5%	93.9%	92.5%
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	13.2%	14.3%	12.3%	11.2%	11.0%	11.0%	8.3%	7.5%	6.4%
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old	6.3%	5.2%	7.1%	4.6%	4.6%	4.6%	4.8%	4.0%	5.0%
<u>Creditors Management</u>										
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Creditors to Cash and Investments		26.3%	42.5%	63.7%	29.1%	29.7%	29.7%	36.3%	31.9%	30.2%
<u>Other Indicators</u>										
Electricity Distribution Losses (2)	% Volume (units purchased and generated less units sold)/units purchased and generated	5.0%	7.5%	6.1%	8.5%	8.0%	8.0%	8.0%	7.5%	7.5%
Water Distribution Losses (2)	% Volume (units purchased and own source less units sold)/Total units purchased and own source	14.9%	21.6%	15.8%	20.0%	15.0%	15.0%	12.0%	10.0%	8.0%
Employee costs	Employee costs/(Total Revenue - capital revenue)	29.4%	26.9%	29.5%	28.6%	27.5%	27.5%	28.1%	28.5%	27.5%
Remuneration	Total remuneration/(Total Revenue - capital revenue)	30.7%	28.1%	30.8%	30.0%	29.1%	29.1%	29.5%	29.9%	28.8%
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	7.8%	5.2%	5.3%	6.4%	6.9%	6.9%	6.2%	6.0%	5.7%
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	5.5%	4.7%	6.1%	6.5%	6.2%	6.2%	7.5%	7.7%	7.2%
<u>IDP regulation financial viability indicators</u>										
i. Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	20.7	42.9	37.0	43.8	43.8	43.8	51.8	60.4	66.4
ii. O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	16.5%	21.0%	14.6%	13.8%	14.0%	14.0%	9.8%	8.5%	7.3%
iii. Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	7.1	4.4	4.9	4.5	4.3	4.3	4.4	4.0	3.6

PROVIDING CLEAN WATER AND MANAGING WASTE WATER



- * Name of the Water Service Authority in the area and name of the Water Service Provider, and who actually manages the provision of drinking water and waste water management (if outsourced).

Mossel Bay Municipality is the Water Service Authority as well as the Water Service Provider.

- * The Blue Drop and Green Drop performance ratings (as determined by the Department of Water Affairs) applicable to all water and waste water services within the municipality, highlighting areas that require attention.

The final Blue Drop and Green Drop evaluations by the DWA took place during March 2011. Mossel Bay was much more successful than in the previous evaluation rounds and has received 2 Green Drop and 2 Blue Drop awards. Nationally, Mossel Bay came 8th in terms of the Green Drop evaluations.

Mossel Bay Municipality has embarked on the following programmes to improve the overall management and operation of the Purification and Waste Water Treatment plants:

- Most process controllers have been trained and have received the necessary classification certification, although this is a continuous challenge
- The licences and registrations for Waste Water Plants are in the process of being reviewed, awaiting feedback from DWA National.
- The in-house laboratory service staff must still be expanded to be in accordance with the recognised proficiency testing schemes required for the Blue/Green drop evaluations.

- * The current status of the municipality's Water Safety Plan and measures to be taken in 2011/12 and over the MTREF to implement it.

The Water Safety Plan has been revised and fine tuned in accordance with Water Affairs requirements in order to obtain the maximum Blue Drop scores. There are no major outstanding issues that need to be addressed.

- * A brief outline of problems that the municipality is experiencing with regards to the management of drinking water and sewerage.

The municipality is still awaiting the revised effluent water permits from DWA for all Mossel Bay Effluent treatment works.

The recent drought has forced the municipality into a new way of thinking regarding the reduction of unaccounted for losses of water, which was started very successfully. The municipality has started a meter replacement program minimising losses through old under-reading meters, continuous bulk water distribution metering and improved water quality to reduce wasteful rinsing of pipe networks. As the zone metering system is developed, the focus can be specifically directed at any areas with higher losses. The aim of this effort is to reduce these costly losses far below the 10% generally accepted for municipalities.

The new desalination plant built with the financial assistance of PetroSA was practically completed ensuring the availability of 10 Mega litre of drinking water, reducing our risk dependency on dam water.

Should the need arise, the PetroSA component of 5 Mega liter per day could also be directed into the municipal supply system. This plant will be placed in Zero mode, allowing a new quota border, permitting town growth.

Outflow from the Hartenbos sewerage plant was mostly taken up by the reclamation plant built to extend the Mossel Bay water availability. The limited outflow could not always comply with the especially high normal standards for the Hartenbos River. Since the plant has been placed into zero production mode, the outflow quality has improved. Due to more stringent limits, the feeding dams to these works will have to be cleaned in future.

The small Friemersheim sewerage treatment plant has been rerouted to the large plant that was previously upgraded to improve outflow standards and only this plant must be upgraded to accommodate inflow from the new housing projects.

The treated effluent water from the Ruiterbos treatment works was routed to irrigate the community sport fields in Ruiterbos, thereby reducing any enrichment and risks of inflowing water to the Mossel Bay raw water supply system.

Groundwater monitoring is required adjacent to all effluent treatment works to measure any possible pollution of ground water.

The raw water supply system via Amy Searl furrow has been abandoned due to risk of health to the water supply to Great Brak.

The Boggomsbaai township must be supplied with a conventional sewer system.

* An outline of the steps the municipality needs to take to address the problems noted.

The municipality must keep pressure on DWA to finalise effluent water permits.

The municipality has to continue with

- the meter replacement program,
- expand continuous bulk water distribution metering,
- improvement of water quality to reduce wasteful rinsing of pipe networks.

Cleaning of the Hartenbos sewerage plant evaporation pond system.

The main Friemersheim sewerage treatment plant has to be enlarged with 150kl/day capacity to accommodate inflow from the new housing projects.

Upgrading of the large Friemersheim effluent treatment plant will be required soon.

The legal processes towards the abandoning of the raw water supply system via Amy Searl furrow has to be finalised

Ground water measuring systems must be installed around effluent water treatment works.

The expansion of sewer systems to provide residents towards Great Brak must be kept in mind.

- * The 2012/13 budget and MTREF allocations proposed/made to fund the above measures.

Substantial amounts of money was earmarked towards roads and storm water services, away from water and sewer projects.

The municipality has to continue with

- the meter replacement program,
- expand continuous bulk water distribution metering,
- improvement of water quality to reduce wasteful rinsing of pipe networks.

Cleaning of the Hartenbos sewerage plant evaporation pond system has to be accommodated above the other cleaning of the dams allowed for.

The main Friemersheim sewerage treatment plant has to be enlarged with 150kl/day capacity to accommodate inflow from the new housing projects.

The largest outstanding project is the link line from the desalination plant / Langeberg reservoir to the main water reservoirs in Heiderand from where the largest part of the town and densifications are fed.

The expansion of sewer systems to provide residents towards Great Brak must be kept in mind.



MEASURABLE PERFORMANCE OBJECTIVES

Mossel Bay Municipality uses the Scorecard Model of performance management, which is aimed to measure the performance of the municipality in accordance with the set objectives and key performance areas. The scorecard is reviewed on an annual basis and is populated on a high level objective point of view. These high level objectives are then cascaded into each department's individual Service Delivery and Budget Implementation Plan.

MOSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Council	Executive and council	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Governance and Communication	Effective functioning of council measured in terms of the number of council meetings per annum	No of council meetings per annum	All	All	Speaker	10	Minutes of Council meetings held	Number	10	3	2	2	3

Council	Executive and council	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Governance and Communication	Effective functioning of the committee system measured by the number of committee meetings per annum	No of sec 79 committee meetings per annum	All	All	Executive Mayor	11	Minutes of Committee meetings held	Number	11		3	2	3	3
Council	Executive and council	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Governance and Communication	Effective functioning of ward committees to ensure consistent and regular communication with residents measured to number of ward committee meetings per annum	No of ward committee meetings per annum	All	All	Speaker	6	Minutes of ward committee meetings held	Number	72		24	12	12	24

MOSSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Municipal Manager	Corporate services	A development-orientated public service and inclusive citizenship	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Transformation and Institutional Development	Preparing and agreeing of the Section 57 performance agreements by the end of July	No of performance agreements signed	All	All	Municipal Manager	7	Signed performance agreements	Number	7	7			
Municipal Manager	Executive and council	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Financial Viability and Management	Risk based audit plan approved by 2013	Plan approved	All	All	Municipal Manager	1	Minutes of Audit Committee meeting during which RBAP was approved	Number	1				1
Municipal Manager	Executive and council	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Governance and Communication	Functional performance audit committee measured by means of meetings where committee dealt with performance reports	# of meetings	All	All	Municipal Manager	2	Minutes of meetings	Number	2		1		1

MOSSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Municipal Manager	Executive and council	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Governance and Communication	Municipality complying with legislation measured in terms of the compliance register developed and implemented	% of compliance register developed and implemented	All	All	Municipal Manager	New	Register	Percentage	100	30	40	80	100
Financial Services	Budget and treasury office	A responsive and, accountable, effective and efficient local government system	Municipal Financial Viability and Management	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Financial Viability and Management	Compliance with GRAP 16, 17 & 102 to ensure effective asset management	0 findings in the audit report on non-compliance	All	All	Director: Financial Services	New	Report of the Auditor General	Number	0	0	0	0	0
Financial Services	Budget and treasury office	A responsive and, accountable, effective and efficient local government system	Municipal Financial Viability and Management	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Financial Viability and Management	No of Root causes of issues raised by AG in AG report of the previous financial year addressed to promote a clean audit	No of Root causes addressed	All	All	Director: Financial Services	100	Report of the Auditor General	Percentage	100			60	100

MOSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Financial Services	Budget and treasury office	A responsive and, accountable, effective and efficient local government system	Municipal Financial Viability and Management	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Financial Viability and Management	Financial statements submitted by 31 August	Financial statements submitted to A-G	All	All	Director: Financial Services	1	Approved annual Financial Statements	Number	1	1			
Corporate Services	Budget and treasury office	A skilled and capable workforce to support inclusive growth	Municipal Transformation and Institutional Development	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Transformation and Institutional Development	Targeted skills development measured by implementing 100% of the workplace skills plan by June 2013	% of the WSP implemented by 30 Jun 2013	All	All	Director: Corporate Services	100%	Annual Financial Statements	Percentage	100				100
Corporate Services	Corporate services	A responsive and, accountable, effective and efficient local government system	Municipal Transformation and Institutional Development	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Transformation and Institutional Development	Preparation and submission of equity report for the municipality by 30 Sept	No of reports submitted	All	All	Director: Corporate Services	1	Minutes of Council meetings adopting the report	Number	1	1			

MOSSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Corporate Services	Planning and development	Decent employment through inclusive economic growth	Local Economic Development	To create an enabling environment for economic growth in the tourism industry and uplifting our communities	Economic Development and Tourism	Reviewed and aligned LED submitted with implementation plan that includes clear outcomes, milestones and timeframes	# of LED strategy and implementation plan.	All	All	Director: Corporate Services	New	Minutes of Council meetings during which revised LED Strategy and implementation plan was approved	Number	1				1
Corporate Services	Planning and development	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Transformation and Institutional Development	Prepare the IDP to be comprehensive and comply with the requirements of the Systems Act and submitted by March 2013	No of required sectoral plans included in the IDP	All	All	Director: Corporate Services	4	Approved IDP	Number	4			4	
Corporate Services	Corporate services	A development-orientated public service and inclusive citizenship	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Governance and Communication	Annual report and oversight report of council submitted before the end of January	Report submitted to Council	All	All	Director: Corporate Services	1	Minutes of Council meeting during which Annual Report was approved	Number	1			1	

MOSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Corporate Services	Planning and development	A responsive and, accountable, effective and efficient local government system	Good Governance and Public participation	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communication to all stakeholders	Municipal Transformation and Institutional Development	Prepare the IDP to be comprehensive and comply with the requirements of the Systems Act and submitted by March 2013	No of required sectoral plans included in the IDP	All	All	Director: Corporate Services	4	Approved IDP	Number	4			4	
Community Services	Public safety	All people in South Africa protected and feel safe	Basic Service Delivery	To create a healthy, safe and secure environment for the people of Mossel Bay	Community Safety and Security	Maintain a functional disaster management forum measured by quarterly meetings attended by all stakeholders	# meetings	All	All	Director: Community Services	New	Minutes of meetings	Number	4	1	1	1	1
Community Services	Community and social services	Protection and enhancement of environmental assets and natural resources	Basic Service Delivery	To create a healthy, safe and secure environment for the people of Mossel Bay	Sport, Recreation and Culture	Recreational areas including sports fields are maintained measured by the % of the maintenance budget spent	% of budget spent	All	All	Director: Community Services	90	Annual Financial Statements	Percentage	90	20	40	60	90

MOSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Community Services	Waste management	An effective, competitive and responsive economic infrastructure network	Basic Service Delivery	To create an environment for offering basic services to all the communities in the Mossel Bay municipal area	Development of New Services and Infrastructure	Effective maintenance of refuse removal assets to approved budget	% of budget spent to approved maintenance projects.	All	All	Director: Community Services	50	Main and Adjustments Budgets and approved project plans	Percentage	90	20	40	60	90
Technical Services	Road transport	An effective, competitive and responsive economic infrastructure network	Basic Service Delivery	To provide a public transport and services road infrastructure to the community of Mossel Bay and its tourists	Development of New Services and Infrastructure	Implementation of maintenance plan for roads as percentage of approved budget spent.	% of maintenance budget of municipal roads spent	All	All	Director: Technical Services	100	Annual Financial Statements	Percentage	90	20	40	60	90
Technical Services	Waste water management	An effective, competitive and responsive economic infrastructure network	Basic Service Delivery	To create an environment for offering basic services to all the communities in the Mossel Bay municipal area	Development of New Services and Infrastructure	Effective maintenance of stormwater assets through implementation of maintenance plan	Implementation of maintenance plan as per approved budget	All	All	Director: Technical Services	90	Main and Adjustments Budgets and approved project plans	Percentage	90	10	30	60	90

MOSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classification [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measurement	Wards [R]	Area [R]	Program Driver [R]	Baseline	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Technical Services	Electricity	An effective, competitive and responsive economic infrastructure network	Basic Service Delivery	To create an environment for offering basic services to all the communities in the Mossel Bay municipal area	Development of New Services and Infrastructure	Effective maintenance of electricity assets through the implementation of maintenance plan measured by preventative maintenance tasks	# of preventative maintenance tasks	All	All	Director: Technical Services	New	Main and Adjustments Budgets and approved project plans	Number	2000	500	500	500	500
Technical Services	Water	An effective, competitive and responsive economic infrastructure network	Basic Service Delivery	To create an environment for offering basic services to all the communities in the Mossel Bay municipal area	Development of New Services and Infrastructure	Effective management of water provisioning systems to minimise water losses by implementing measures to reduce water losses	% calculated as KL billed / KL used on monthly basis	All	All	Director: Technical Services	21	Sec 71 reports	Percentage	15	15	15	15	15
Technical Services	Water	An effective, competitive and responsive economic infrastructure network	Basic Service Delivery	To create an environment for offering basic services to all the communities in the Mossel Bay municipal area	Development of New Services and Infrastructure	Effective maintenance of water assets through the implementation of a number of preventative maintenance tasks as per the water maintenance plan	No of preventative maintenance tasks	All	All	Director: Technical Services	New	Sec 71 reports	Number	240	60	60	60	60

MOSSSELBAY MUNICIPALITY : DRAFT TOP LEVEL SERVICE DELIVERY BUDGET AND IMPLEMENTATION PLAN 2012/2013

Directorate [R]	GFS Classificatio n [R]	National Outcome [R]	National KPA [R]	IDP Objective [R]	Municipal KPA [R]	KPI [R]	Unit of Measuremen t	Ward s [R]	Are a [R]	Program Driver [R]	Baselin e	POE	KPI Target Type [R]	Annual Target	Quarter			
															1	2	3	4
Developmen t & Planning	Planning and development	A responsive and, accountable , effective and efficient local government system	Municipal Transformatio n and Institutional Development	To promote an efficient and financial viable organisation through an effective governance structure and open and transparent communicatio n to all stakeholders	Land and Integrated Human Settlement s	Alignment of IDP and sectoral plans with the SDF by June 2013	# of alignment certificate signed-off	All	All	Director: Developmen t & Planning	New	Alignment certificate signed	Number	1				1
Developmen t & Planning	Housing	Sustainable human settlements and improved quality of household life	Basic Service Delivery	To facilitate access to affordable and quality housing to all the residents of Mossel Bay	Land and Integrated Human Settlement s	Formalise the existing informal settlement s in line with National & Provincial policies measured ito % of DORA allocation spent	% of DORA allocation spent.	All	All	Director: Developmen t & Planning	100	Financial Statement s	Percentag e	95	10	40	60	95

7.14. *Legislative compliance status*

Compliance with the MFMA requirements has been substantially adhered to through the following activities:

- *Budget and Treasury Office:* This office has been established in accordance with the MFMA.
- *Budgeting:* The annual budget is prepared in accordance with the MFMA and National Treasury regulations and requirements.
- *Financial reporting:* 100% compliance with regards to monthly, quarterly and annual reporting to the Executive Mayor, Mayoral Committee, Council, Provincial Government and National Treasury.
- *Annual Financial Statements:* The financial statements are prepared in accordance with the Standards of Generally Recognised Accounting Practices (GRAP) prescribed by the Minister of Finance.
- *Annual report:* The annual report is prepared in accordance with the MFMA and National Treasury requirements.



ANNEXURE A

2012/13 TARIFF LIST

Mossel Bay Municipality

TARIFFS 2012/2013 INDEX

SUBJECT

- 1 DEPOSITS
- 2 ELECTRICITY TARIFF CHARGES
- 3 WATER TARIFF CHARGES
- 4 SEWERAGE TARIFF CHARGES
- 5 REFUSE REMOVAL CHARGES
- 6 SUBSIDIES TO INDIGENT AND POOR HOUSEHOLDS
- 7 PROPERTY RATES
- 8 FIRE BRIGADE FEES
- 9 LIBRARY & HALL FEES, TOWN HALL AND OTHER COMMUNITY HALLS
- 10 SPORT FACILITIES
- 11 CARAVAN PARKS & CHALETS
- 12 TRAFFIC DEPARTMENT
- 13 TOWN PLANNING & BUILDING CONTROL
- 14 CEMETERIES
- 15 TARIFFS I.R.O. INFORMATION TO PUBLIC
- 16 ENGINEER'S DEPARTMENT AND SUNDRIES
- 17 COLLECTION COSTS LEVIED BY MUNICIPALITY
- 18 USE OF HARRY GIDDY PARK

TARIFFS 2012/2013

2011/12

2012/13

1 DEPOSITS

1.1 Electricity deposits

Domestic, churches, schools & crèches, garages (up to 60 Amp)		R1,200.00	R1,300.00
Pre-paid consumers on the two part tariff		R660.00	R400.00
Businesses : Single phase CM Two Part Tariff	15 Amp - 30 Amp	R1,300.00	R3,200.00
Businesses : Single phase PP Two Part Tariff		R1,300.00	R2,300.00
Household : 3-Phase CM Two Part Tariff	30 Amp - 50 Amp	R3,000.00	R3,000.00
	60 Amp - 90 Amp	R5,000.00	R5,000.00
Household : 3-Phase PP Two Part Tariff	30 Amp - 50 Amp		R1,700.00
	60 Amp - 90 Amp		R3,000.00
Businesses : 3-Phase CM Two Part Tariff	30 Amp	R2,860.00	R3,400.00
	45 Amp	R3,410.00	R5,000.00
	50 Amp	R4,950.00	R6,000.00
	60 Amp	R6,820.00	R7,000.00
	90 Amp	R7,920.00	R10,000.00
Businesses : 3-Phase PP Two Part Tariff	30 Amp		R2,200.00
	45 Amp		R3,300.00
	50 Amp		R3,700.00
	60 Amp		R4,500.00
	90 Amp		R6,600.00
Light Industrial	up to 100 KVA	R6,600.00	R14,000.00
Bulk	above 100 KVA	R13,200.00	R40,000.00
Time Of Use		R30,000.00	R30,000.00

1.2 Commercial, Businesses, Industrial (Council Res. F190-7/2004)

- Deposits on Businesses: the same as the highest bill for the last 12 months for Water, Electricity and Refuse.
- New connections at new extensions of businesses: The same as (a) above
- In the case of various differences: Deposits must be as consumptions.

1.3 Water and other services deposits

Subsidised	R270.00	R300.00
Economic	R650.00	R700.00
Additional household or business units	R300.00	R320.00
Medium Consumers	R3,000.00	R3,500.00
Bulk Consumers more than 1000kl	R11,000.00	R15,000.00

1.4 Builders deposits

Page 32

1.5 Refundable deposit for use of Harry Giddy Park

Page 39

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

1 DEPOSITS (Continues)

1.6 Posters/Placards (Maximum100)

	Per Poster/Placard	R12.00	each	R14.00	each
Note:	Refundable on removal	R9.00	each	R10.00	each
	Administration cost	R3.00	each	R4.00	each

1.7 Posters/Placards Political Parties

R880.00

R950.00

- a) The deposit will only be refunded once the Director: Community services has certified that all posters/placards have been removed within 48 hours after the specific election.

1.8 Breakage deposits - Sport facilities

Page 19 to 23

- Halls and Club houses**

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2 ELECTRICITY TARIFF CHARGES

2011/12

2012/13

2.1 SCALE 1 - DOMESTIC SUPPLY, CHURCHES, SCHOOLS AND CRECHES

2.1.1 Tariff 1.A (TWO PART TARIFF) (1, 52, 63, 64 and 77)

- a) a fixed monthly charge per meter irrespective of the ampere capacity of supply
b) an energy charge: 0-20 kwh Free
> 20 kwh :

R178.81 + VAT
R0.00
R0.767 + VAT

R178.81 + VAT

Block 0 (0-20 kWh)
Block 1 (21-50 kWh)
Block 2 (51-350 kWh)
Block 3 (351-600 kWh)
Block 4 (>600 kWh)

R0.00 + VAT
R0.77 + VAT
R0.80 + VAT
R1.09 + VAT
R1.27 + VAT

Note: Any capacity above 60 amp must be approved by the Electro technical Engineer

2.1.2 Tariff 1.B (ONE PART TARIFF) (51, 61, 62 and 99)

- Energy charge 0 - 20 kwh
>20 kwh

R0.00
R1.014 + VAT

Block 0 (0-20 kWh)
Block 1 (21-50 kWh)
Block 2 (51-350 kWh)
Block 3 (351-600 kWh)
Block 4 (>600 kWh)

R0.00 + VAT
R0.77 + VAT
R1.09 + VAT
R1.27 + VAT
R1.27 + VAT

All consumers described in 2.1 above, who use an average of more than 400kWh per month, based on an average usage of the past 4 months, be placed on the one-part tariff for domestic consumers - Tariff 1.B above

All household consumers using an average of less than 400kWh per month based on an average usage of the past 4 months, be placed on the two-part tariff for domestic consumers - Tariff 1.A above

Criteria in order to be on tariff 1.B when using less than an average of 400kWh per month.

All indigent and poor household consumers as defined in the credit control policy of Council

All consumers identified as permanent inhabitants for at least 9 months per year.

To be identified as such a consumer has to hand in a sworn affidavit from any Commissioner of Oath

A new Affidavit must be handed in before 1 July of each year in order to stay on Tariff 1.B

2.1.3 Tariff 1.C (Prepaid tariffs for Indigent households) (53, 65, 66, 73 and 78)

This tariff includes persons on life support apparatus, as a domestic user

Condition: Approved medical certificate to this effect is to be provided

- Energy charge 0 - 50 kwh
Average c/kwh >50 kwh

R0.00
R0.74 + VAT

R0.00

Block 0 (0-20 kWh)
Block 1 (21-50 kWh)
Block 2 (51-350 kWh)
Block 3 (351-600 kWh)
Block 4 (>600 kWh)

R0.00 + VAT
R0.00 + VAT
R0.82 + VAT
R1.27 + VAT
R1.27 + VAT

2.1.4 Tariff 1.D (Three phase) (10, 71, 72)

Note: Only circuit breakers with ampere of 15A, 30A, 45A, 60A and 90A shall be allowed.

- a) a fixed monthly charge per 3-phase ampere
b) an energy charge 0-20 kwh
> 20 kwh

R15.00 + VAT
R0.00
R0.726 + VAT

R15.00 + VAT
R0.00
R0.81 + VAT

2.2 SCALE 2 - COMMERCIAL SUPPLY

Tariff 2.A - SINGLE PHASE TWO PART TARIFF (Using less than 1500kWh per month calculated over a period of 6 months usage) (2, 55 and 67)

- a) a fixed monthly charge per ampere
b) an energy charge per unit consumed

R13.66 + VAT
R0.660 + VAT

R13.66 + VAT
R0.73 + VAT

TARIFFS 2012/2013

2011/12

2012/13

**Tariff 2.B - SINGLE PHASE ONE PART TARIFF (using more than 1500kWh per month
2.2.2 calculated over a period of 6 months usage) (22, 55 and 67)**

a) no fixed monthly charge

b) an energy charge

per unit consumed

R1.11 + VAT

R1.24 + VAT

TARIFFS 2012/2013

2011/12

2012/13

2 ELECTRICITY TARIFF CHARGES (Continues)

Note: Only circuit breakers with ampere of 15A, 30A, 45A and 60A shall be allowed.

A circuit breaker with ampere of 5A will be allowed provided consumption does not exceed 15 units per month.

2.2.3 Tariff 2.C - THREE PHASE TWO PART TARIFF (using less than 3000kWh per month calculated over a period of 6 months usage) (3, 55 and 67)

a) a fixed monthly charge	per 3-phase ampere	R32.47 + VAT	R32.47 + VAT
b) an energy charge	per unit consumed	R0.626 + VAT	R0.73 + VAT

2.2.4 Tariff 2.D - THREE PHASE ONE PART TARIFF (Using more than 3000kWh per month, calculated over a period of six months usage) (23, 55 and 67)

a) no fixed monthly charge			
b) an energy charge	per unit consumed	R1.108 + VAT	R1.24 + VAT

Note: Only circuit breakers with a ampere of 30A, 45A, 60A and 90A shall be allowed.

2.3 SCALE 3 - LIGHT INDUSTRIAL (40 KVA TO 100 KVA) (4 and 5)

a) a fixed monthly charge		R616.26 + VAT	R684.23 + VAT
b) plus a demand charge	per KVA with a min. of 40 KVA plus	R109.17 + VAT	R121.21 + VAT
c) plus an energy charge	per unit consumed	R0.55 + VAT	R0.61 + VAT

2.4 SCALE 4 - BULK SUPPLY (IN EXCESS OF 100 KVA) (6 and 7)

a) a fixed monthly charge,		R1,426.45 + VAT	R1,583.79 + VAT
b) plus a demand charge	Min. of 100 KVA, plus	R135.92 + VAT	R150.91 + VAT
c) plus an energy charge	per unit consumed	R0.450 + VAT	R0.50 + VAT

2.5 SCALE 5 - SPECIAL BULK SUPPLY (26)

a) a fixed monthly charge,	Load factor must be above 45%	R1,495.93 + VAT	R1,660.93 + VAT
b) plus an energy charge			
Off peak:		R0.361 + VAT	R0.40 + VAT
Standard:		R0.873 + VAT	R0.97 + VAT
Peak :		R1.504 + VAT	R1.67 + VAT

2.6 SCALE 6 - Petrosa (KLIPHEUWEL) & (DESALINATION PLANT) (40 and 41)

a) a fixed monthly charge,		R1,505.10 + VAT	R1,671.11 + VAT
b) plus a demand charge of	per KVA, plus	R134.56 + VAT	R149.40 + VAT
c) plus an energy charge of	per unit consumed	R0.413 + VAT	R0.46 + VAT

2.7 SCALE 7 - AGRICULTURAL SUPPLY (19)

a) an energy charge of per unit consumed	(below 2000 units)	R1.255 + VAT	R1.39 + VAT
b) an energy charge of per unit consumed	(above 2000 units)	R0.992 + VAT	R1.10 + VAT

2.8 SCALE 8 - AGRICULTURAL SUPPLY (50) (OFF-PEAK TARIFF - WATER PUMPING ONLY)

a) an energy charge of	per unit consumed	R0.687 + VAT	R0.76 + VAT
------------------------	-------------------	---------------------	--------------------

TARIFFS 2012/2013

2011/12

2012/13

2 ELECTRICITY TARIFF CHARGES (Continues)

2.9 SCALE 9 - STREET LIGHTING

1. Municipality & Private Street lighting where electricity supply is metered (15)

a) an energy charge	per unit consumed	R0.530 + VAT	R0.59 + VAT
---------------------	-------------------	--------------	-------------

2. Private Street lighting where electricity supply is not metered. (14)

a) a fixed monthly charge	per light point	R62.89 + VAT	R69.83 + VAT
---------------------------	-----------------	--------------	--------------

or energy charge based on number of lights x light wattage x 333,33 hrs x c/kWh as per scale 9(1) (a)

2.10 SCALE 10 - SPORTS FIELDS LIGHTING (56, 69)

Van Riebeeck Sports grounds:

Pre-paid	Per kwh	R1.115 + VAT	R1.12 + VAT
----------	---------	--------------	-------------

D'Almeida Sports grounds:

Pre-paid	Per kwh	R1.115 + VAT	R1.12 + VAT
----------	---------	--------------	-------------

Extension 23 Sports grounds:

Pre-paid	Per kwh	R1.115 + VAT	R1.12 + VAT
----------	---------	--------------	-------------

Kwanonqaba Sports grounds:

Pre-paid	Per kwh	R1.115 + VAT	R1.12 + VAT
----------	---------	--------------	-------------

Great brak Sports grounds:

Pre-paid	Per kwh	R1.115 + VAT	R1.12 + VAT
----------	---------	--------------	-------------

Hartenbos Sports grounds:

Pre-paid	Per kwh	R1.115 + VAT	R1.12 + VAT
----------	---------	--------------	-------------

2.11 AVAILABILITY FEES PER YEAR (401)

Availability fee - vacant erven	per annum	R1,310.00 + VAT	R1,441.00 + VAT
---------------------------------	-----------	-----------------	-----------------

2.12 OTHER SUNDRY ELECTRICITY TARIFFS

Temporary disconnection and re-connection on request of consumer

(For non-payment refer to Tariff 17)

During office hours	16614-621-2100	R110.00	R120.00
After hours	16614-621-2100	R150.00	R160.00

Special Meter readings (for water and electricity)	16614-621-2070	R150.00	R160.00
--	----------------	---------	---------

Connections : Standard Fee

Pre-paid meters	16614-621-2095	R3,750.00	R4,000.00
Standard meters	16614-621-2095	R3,750.00	R4,000.00

Connections (Cable already installed on corner of erf and only where proof of C.O.C. certificate was issued)

Pre-paid meters	16614-621-2095	R2,350.00	R2,500.00
Standard meters	16614-621-2095	R2,350.00	R2,500.00

Other Connections

Special or three phase	16614-621-2095	Cost + 15%	Cost + 15%
Subsidised State Housing	16614-621-2095	Cost Only	Cost Only
Indigent Households		Free of charge	Free of charge

(All tariffs from Paragraph 2.12 are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

2 ELECTRICITY TARIFF CHARGES (Continues)

2.12 OTHER SUNDRY ELECTRICITY TARIFFS (Continues)

Shift of Electricity Meter		R475.00	R500.00
Additional Transformer cost for supply in excess of 90 amps,3phase			
Where application is made for an increased supply and sufficient spare capacity exists on a nearby transformer of greater capacity, the consumer(s) shall in addition to the connection charges, be charged the pro-rata cost of the additional transformer capacity based upon the cost of a new mini-substation.			
No pro-rata transformer costs are payable where consumers supply their own substations or where consumers pay for the replacement of an existing transformer to cater for an increase in supply			
Service Calls			
During office hours	16614-621-2070	R120.00	R130.00
After hours	16614-621-2070	R150.00	R160.00
Test of meter - Single Phase	16614-621-2270	R220.00	R240.00
Test of meter - 3-Phase	16614-621-2270	R400.00	R420.00
Test of Bulk Meter	16614-621-2270	R900.00	R950.00
Replace Circuit Breaker of Credit as well as Prepaid meters			
Lower Capacity	16614-621-2090	R120.00	R0.00
Higher Capacity	16614-621-2090	R120.00	R130.00
3-Phase	16614-621-2090	R300.00	R320.00
(Replacement of Circuit Breakers cannot be done more than once per annum)			
Disconnection tariff on Bulk supply (per month)	16614-621-2105	R425.00	R450.00
(Return to Bulk supply as soon as 1 Kwh is consumed)			
Supply of Street Lights on request			
To be paid by Applicant	16614-621-2095	Cost + 15%	Cost + 15%
Old Age Homes and "Aftree Oorde"		Free of charge	Free of charge
Replace ordinary credit meter with pre-paid meter			
Installation cost inclusive	16614-621-2095	R925.00	R980.00
Replace ordinary three phase credit meter with ordinary single phase credit meter			
Installation cost inclusive	16614-621-2095	R925.00	R980.00
Installation of single phase credit meter	16614-621-2095	R925.00	R980.00
Installation of single phase pre-paid meter	16614-621-2095	R925.00	R980.00
Single phase pre-paid meter(Meter only)	16614-621-2095	R550.00	R580.00
Installation of three phase credit meter	16614-621-2095	R1,300.00	R1,400.00
Three phase pre-paid meter (Meter only)	16614-621-2095	R1,600.00	R1,700.00
Conversion from three phase to single phase and vice versa	16614-621-2095	R300.00	R320.00
(No meter replacement)			
Tamper with installation (Single Phase)	16614-841-2742	R1,500.00	R1,600.00
(If meter must be replaced the cost of meter must also be paid)			
Tamper with installation (Three Phase)	16614-841-2742	R3,000.00	R3,200.00
(If meter must be replaced the cost of meter must also be paid)			

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

2 ELECTRICITY TARIFF CHARGES (Continues)

2.12 OTHER SUNDRY ELECTRICITY TARIFFS (Continues)

Damaging of Medium Voltage Cables by Contractors		R17,000.00	R18,000.00
Damaging of Low Voltage Cables by Contractors		R2,800.00	R3,000.00
Replacement of street light pole		R5,000.00	R5,500.00
Replacement of traffic light pole		R10,000.00	R10,500.00
HIRING OF EQUIPMENT: ELECTRICAL (IF AVAILABLE- MIN. 1 HOUR)			
Hiring of power points			
Power point Single Phase	per day	R200.00	R210.00
Power point Three Phase	per day	R620.00	R660.00
Hiring of equipment			
Sound System	per day	R290.00	R310.00
High-up truck, including driver	per hour	R525.00	R560.00
H10-Ton Truck, including driver	per hour	R525.00	R560.00

**TIME STARTS FROM THE TIME OF LEAVING THE ELECTRICAL WORKSHOP UP TO THE TIME OF RETURNING
(THE AMOUNT OF HOURS)**

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

3 WATER TARIFF CHARGES

A. CONSUMERS WITH CONNECTIONS UP TO 25 MM

3.1 Residential or business with up to 4 consumers and with one joint meter

(Tariff codes: 101, 108, 122 and 131)

a) Basic per consumer	per month	R113.73 +VAT
b) Metered Consumption		
1 kl to 20 kl	per kl.	R5.40 +VAT
21 kl to 30 kl	per kl.	R7.56 +VAT
31 kl to 40 kl	per kl.	R9.72 +VAT
41 kl to 50 kl	per kl.	R12.96 +VAT
51 kl to 60 kl	per kl.	R16.20 +VAT
61 kl to 80 kl	per kl.	R19.44 +VAT
> 80 kl	per kl.	R25.92 +VAT

Tariff 101 (domestic) and 108 (Indigent) above will receive 6 of the first 20kl water, free water per month

3.2 Business complexes with more than 4 business consumers and with one joint meter

(Tariff code: 121 and 131)

a) Basic per consumer	per month	R113.73 +VAT
b) Metered Consumption		
0 kl to 50 kl	per kl.	R5.40 +VAT
51 kl to 60 kl	per kl.	R7.56 +VAT
61 kl to 70 kl	per kl.	R9.72 +VAT
71 kl to 80 kl	per kl.	R12.96 +VAT
91 kl to 100 kl	per kl.	R16.20 +VAT
101 kl to 120 kl	per kl.	R19.44 +VAT
> 120 kl	per kl.	R25.92 +VAT

3.3 Flats and Residential complexes with more than 4 consumers

with one joint meter (Tariff code: 123, 124 and 131)

a) Basic per consumer	per month	R113.73 +VAT
b) Metered Consumption		
0 kl to 60 kl	per kl.	R5.40 +VAT
61 kl to 100 kl	per kl.	R7.56 +VAT
101 kl to 150 kl	per kl.	R9.72 +VAT
151 kl to 200 kl	per kl.	R12.96 +VAT
201 kl to 250 kl	per kl.	R16.20 +VAT
251 kl to 300 kl	per kl.	R19.44 +VAT
> 300 kl	per kl.	R25.92 +VAT

Complexes with more than 4 but less than 10 consumers (Tariff 123) will receive 30 of the first 60kl water, free per month.

Complexes with 10 and more consumers (Tariff 124) will receive the first 60kl water, free per month.

TARIFFS 2012/2013

2011/12

2012/13

3 WATER TARIFF CHARGES (Continues)

B. CONSUMERS WITH CONNECTIONS BIGGER THAN 25 MM

3.4 Up to nine (9) consumers and with one joint meter

(Tariff code: 103)

a) Basic Fee	per month	R1,091.90 +VAT
b) Metered Consumption		
0 kl to 200 kl	per kl.	R5.40 +VAT
201 kl to 300 kl	per kl.	R7.56 +VAT
301 kl to 400 kl	per kl.	R9.72 +VAT
401 kl to 500 kl	per kl.	R12.96 +VAT
501 kl to 600 kl	per kl.	R16.20 +VAT
601 kl to 800 kl	per kl.	R19.44 +VAT
> 800 kl	per kl.	R25.92 +VAT

3.5 More than nine (9) consumers and with one joint meter

(Tariff code: 105 & 132)

a) Basic per consumer	per month	R113.73 +VAT
b) Metered Consumption		
0 kl to 300 kl	per kl.	R5.40 +VAT
301 kl to 600 kl	per kl.	R7.56 +VAT
601 kl to 900 kl	per kl.	R9.72 +VAT
901 kl to 1200 kl	per kl.	R12.96 +VAT
1201 kl to 1500 kl	per kl.	R16.20 +VAT
1501 kl to 2000 kl	per kl.	R19.44 +VAT
> 2000 kl	per kl.	R25.92 +VAT

3.6 Consumers using more than 1000kl per month for at least four months over a period of 12 months (Tariff code: 104)

a) Basic Fee	per month	R5,914.41 +VAT
b) Metered Consumption		
0 kl to 2000 kl	per kl.	R5.40 +VAT
2001 kl to 3000 kl	per kl.	R7.56 +VAT
3001 kl to 4000 kl	per kl.	R9.72 +VAT
4001 kl to 5000 kl	per kl.	R12.96 +VAT
5001 kl to 6000 kl	per kl.	R16.20 +VAT
6001 kl to 8000 kl	per kl.	R19.44 +VAT
> 8000 kl	per kl.	R25.92 +VAT

TARIFFS 2012/2013

2011/12

2012/13

3 WATER TARIFF CHARGES (Continues)

C. SPECIAL WATER TARIFFS

3.7 Other Special Water Tariffs

a) Raw Water : Basic plus 15 kl (Tariff code: 107)		R192.20 +VAT	R113.73 +VAT
	> 15 kl per kl.	R5.00 +VAT	R5.00 +VAT
b) Searles Slood (Tariff code: 109)	0 - 50 kl per kl.	R0.00 +VAT	R0.00 +VAT
	> 50 kl per kl.	R5.00 +VAT	R5.00 +VAT
c) Buffalo Farming - plus 15% surcharge (Tariff code: 110)			
	0 - 30 kl per kl.	R5.00 +VAT	R5.00 +VAT
	31 - 45 kl per kl.	R9.00 +VAT	R9.00 +VAT
	46 - 80 kl per kl.	R12.00 +VAT	R12.00 +VAT
	> 80 kl per kl.	R15.00 +VAT	R15.00 +VAT
d) Buysplaas (Tariff code: 115)	Basic Fee	R28.75 +VAT	R31.05 +VAT
	0 - 6 kl		R0.00 +VAT
	7 - 60 kl per kl.	R5.00 +VAT	R5.40 +VAT
	> 60 kl per kl.	R7.00 +VAT	R7.56 +VAT
e) JB Hoevers - plus 15% surcharge (Tariff code: 116)			
	0 - 9999 kl per kl.	R4.00 +VAT	R4.00 +VAT

3.9 Other consumers (special arrangements)

Vleesbaai (According to approved contract) (Tariff code: 191)			
Basic Fee	per month	R1,013.79 +VAT	R1,094.89 +VAT
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above			
Retirement Village Hartenrus (68) (Tariff code: 174)			
Basic Fee (for 68 household units)	per month	R7,161.58 +VAT	R7,734.51 +VAT
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above			
Santos Haven 1 (100) (Tariff code: 111)			
Basic Fee (for 100 household units)	per month	R10,530.86 +VAT	R11,373.33 +VAT
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above			
Santos Haven 2 (106) (Tariff code: 152)			
Basic Fee (for 106 household units)	per month	R11,162.60 +VAT	R12,055.61 +VAT
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above			
Petrosa (Tariff code: 151)			
Basic Fee	per month	R5,476.31 +VAT	R5,914.41 +VAT
Metered Consumption for more than 6000 kl consumed	per kl.		Same as Bulk consumers
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above			on tariff 3.6(b)
Sporting Bodies (Tariff code: 114)			
Metered Consumption	per kl.	R5.00 +VAT	R4.00 +VAT
Departmental Use (Tariff code: 112)			
	per kl.	R5.00 +VAT	R5.40 +VAT
Supply of water in rural areas (Certain conditions apply)	6 kl. Per month to registered users	R330.00 +VAT	R356.40 +VAT
Supply of water from Reverse Osmosis Plant	As per agreement with Petrosa		

TARIFFS 2012/2013

2011/12

2012/13

3 WATER TARIFF CHARGES (Continues)

3.10 Availability fee - vacant erven

Per Erf	per annum	1298.00 +VAT	1400.00 +VAT
---------	-----------	--------------	--------------

3.11 Water restrictions

The water consumption tariffs will be increased during droughts in accordance with the Annexures to this Tariff List, when:

- Dam water supply below 30% - Annexure A	50%	50%
- Dam water supply below 20% - Annexure B	100%	100%

3.12 Water restrictions fines

Spot fine for each violation of water restrictions	per violation of restrictions	R1,000.00	R1,000.00
---	-------------------------------	------------------	------------------

3.13 Sundry Tariffs

Water Connections

15mm with consumers tap	14487-621-2095	R2,250.00	R2,350.00
20mm with consumers tap	14487-621-2095	R2,400.00	R2,500.00
25mm with consumers tap	14487-621-2095	R5,250.00	R5,400.00
Bigger than 25mm	14487-621-2095	Cost + 15%	Cost + 15%
Government subsidised Housing	14487-621-2095	Cost only	Cost only

Upgrading from 15mm to 20mm

Meter (tariff includes credit for return of old meter)	14487-621-2095	R1,540.00	R1,640.00
--	----------------	------------------	------------------

**Test of Water Meter: - (15 mm, 20 mm, 25 mm)
>25 mm**

14487-621-2270	R600.00	R650.00
		<u>Cost + 15%</u>

Water meter Inspection-/Service Fee

(Inclusive where Developer has done all the connections and meters)	14487-621-2070	R200.00	R215.00
---	----------------	----------------	----------------

Consumers tap to meter

14487-621-2095	R410.00	R440.00
----------------	----------------	----------------

Shift of water meter

Within 2 meters	14487-621-2095	R510.00	R550.00
More than 2 meters	14487-621-2095	Cost + 15%	Cost + 15%

(The repair of paving is not included in the prices for the shifting of water meters.

The repair of paving will take place at an additional charge as per tariff 16.1.2)

Replacement of bulk water meter insert	14487-621-2095		R500.00
--	----------------	--	----------------

(All tariffs from Paragraph 3.12 are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

3 WATER TARIFF CHARGES (Continues)

3.13 **Sundry Tariffs - CONTINUES**

Uncovering of meters that cannot be read	14487-841-2741	R200.00	R215.00
On- and turn-off of water (For non-payment action refer to Tariff 17)	14487-621-2070	R200.00	R215.00
Special Reading for water and electricity	14487-621-2070	R150.00	R160.00
Fine for tampering with installation	14487-841-2742	R1,725.00	R1,830.00
Water drawn by contractors at Fire Station (Surcharge measures also applicable as per tariff 3.11 and 3.12)	per kl.	R22.00	R24.00
Filling of Pool			
(a) Cost per hour	per hour	R424.00	R450.00
(b) Water	per kl tariff	Applicable Tariff plus 15%	Applicable Tariff plus 15%
Water flow restrictors			
(a) Supply & installation of programmable flow restrictor	14487-841-2747	R1,620.00	R1,750.00
(b) Reprogramming of flow restrictor	14487-841-2747	R235.00	R250.00

Note: Old Age Homes and "Aftree Oorde"

Where a bulk meter is installed, the basic fee must be reduced with the value of 6 kl. water per household, only when the Wolwedans dam level exceeds 60%.

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

		<u>2011/12</u>	<u>2012/13</u>
4 SEWERAGE TARIFF CHARGES			
4.1 All Areas:			
Single and Sectional title Residential & rondawels/chalets with own facilities (601)	Per annum	R1,852.29 +VAT	R1,852.29 +VAT
Rondawel (without own facilities) and caravan parks (613)	Per annum	R604.45 +VAT	R604.45 +VAT
Granny Flats or for each additional residential unit (606)	Per annum	R646.81 +VAT	R646.81 +VAT
Accommodation Establishments : Per Pan (604)	Per annum	R354.20 +VAT	R354.20 +VAT
: Plus every 5 pans or part there-of (604 A)	Per annum	R843.03 +VAT	R843.03 +VAT
Other properties : Per pan (604)	Per annum	R506.00 +VAT	R506.00 +VAT
: Plus every 5 pans or part there-of (603 A)	Per annum	R1,204.33 +VAT	R1,204.33 +VAT
Availability fee - vacant erven (602)		R1,204.33 +VAT	R1,204.33 +VAT
Churches (605)	Per annum	R1,638.21 +VAT	R1,638.21 +VAT
Night soil bucket (607)	Per annum	R244.99 +VAT	R244.99 +VAT
Council's subsidy to households			See Page 16
4.2 Industrial Effluent			
(Rates for formula) - Cost per kilolitre			
- Mossdustria	pump	R1.02 +VAT	R1.10 +VAT
	purification	R2.36 +VAT	R2.50 +VAT
- Voorbaai	pump	R0.82 + VAT	R0.88 + VAT
	purification	R1.83 +VAT	R1.94 +VAT
- Great Brak	purification	R1.77 +VAT	R1.89 +VAT
4.3 OTHER SUNDRY SEWERAGE TARIFFS			
<u>Connections</u>			
100 Diameter	14478-621-2095	R2,250.00	R2,350.00
150 Diameter	14478-621-2095	R2,425.00	R2,500.00
Larger Connections	14478-621-2095	Cost + 15%	Cost + 15%
Government subsidised Housing	14478-621-2095	Cost only	Cost only
<u>Inspection Fee - Blocked drains as well as where Developer provides connections himself</u>			
Office hours	14478-621-2145	R200.00	R220.00
After hours	14478-621-2145	R310.00	R340.00
<u>Opening-up of blocked sewerages</u>			
During office hours	14478-621-2060	R470.00	R520.00
After hours	14478-621-2060	R810.00	R890.00
<u>Emptying of Septic Tanks</u>	per occasion	As per tender	As per tender
4.4 Discount to Pensioners w.r.t. single residential properties			
Pensioners qualify for the under mentioned discounts on sewerage fees if they comply with the following conditions:			
a) The applicant must be the registered owner or the registered tenant			
b) The person must occupy the property himself or herself			
c) Minimum age of registered owner must be 60 years.			
4.5 Discount to Pensioners			
a) Total Income of husband and wife may not exceed R9 000 per month (R108,000 per annum)			40% discount
b) Total Income of husband and wife may not exceed R12 000 per month (R144,000 per annum)			30% discount

(All tariffs from Paragraph 4.3 are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

5 REFUSE REMOVAL CHARGES

Definition: 1 unit is defined as 1 bag which is removed once per week

5.1 <u>Tariff per unit</u>	<u>per month per unit</u>	R42.68 +VAT	R46.09 +VAT
5.1.1 Domestic: Account calculated on a minimum of 2 units (The Health Department will deal with units applicable to any other refuse removal points) (202)	per month	R85.35 +VAT	R92.18 +VAT
5.1.2 Accommodation establishments: Account calculated on a minimum of 3 units (203)	per month		
5.1.3 Commercial/Industrial: Account calculated on a min. of 3 units (203)	per month		
5.1.4 Old Age Homes and "Aftree Oorde" Always calculate on 1 unit per household	per month per unit	R42.68 +VAT	R46.09 +VAT
5.1.5 Additional household units - One unit for each additional household unit			
5.2 <u>Conditions for granting of subsidies by Council to households</u>			See page 16
5.3 <u>Special Refuse removal arrangements</u>			
(One refuse removal unit is levied for every two accommodation units.)			
Definition: Accommodation units includes caravan sites and chalets			
A.T.K.V. (781 accommodation units) (228)	per month	R16,666.97 +VAT	R17,998.15 +VAT
<u>Caravan Parks:</u>			
Kalahari (140 accommodation units) (204)	per month	R2,987.68 +VAT	R3,226.30 +VAT
Santos (306 accommodation units) (206)	per month	R6,530.21 +VAT	R7,051.97 +VAT
De Bakke Chalets (47 accommodation units) (207)	per month	R1,003.00 +VAT	R1,083.12 +VAT
De Bakke (75 accommodation units) (212)	per month	R1,600.54 +VAT	R1,728.38 +VAT
Point (212 accommodation units) (208)	per month	R4,525.75 +VAT	R4,885.54 +VAT
Riverside (102 accommodation units) (210)	per month	R2,176.74 +VAT	R2,350.59 +VAT
Outeniqua (79 accommodation units) (225)	per month	R1,685.90 +VAT	R1,820.56 +VAT
Glentana (52 accommodation units) (226)	per month	R1,109.71 +VAT	R1,198.34 +VAT
SAOU (54 accommodation units) (227)	per month	R1,152.39 +VAT	R1,244.43 +VAT
Pine Creek (142 accommodation units) (229)	per month	R3,030.36 +VAT	R3,272.39 +VAT
Dibiki (36 accommodation units) (230)	per month	R768.26 +VAT	R829.62 +VAT
Bnei Akiva (125 accommodation units) (231)	per month	R2,667.57 +VAT	R2,880.63 +VAT
Seventh Day Adventist (90 accommodation units) (232)	per month	R1,920.66 +VAT	R2,074.05 +VAT
5.4 <u>Removal of perishable foods on request</u>	per load to Petro SA landfill site	R511.35 +VAT	R552.26 +VAT
5.5 <u>Sale of Refuse Containers</u>	per drum	R277.00 +VAT	R300.00 +VAT
5.6 <u>House Shops on residential plots</u>	3 units per month		
5.7 <u>Additional Removals - Transfer Station</u>	8 units / Container		

TARIFFS 2012/2013

2011/12

2012/13

6 SUBSIDIES TO INDIGENT AND POOR HOUSEHOLDS

6.1 (A) SUBSIDIES TO INDIGENT HOUSEHOLDS:

Definition: A household qualify as indigent on the following conditions: (See CR F251/9/2004)

- (i) Total monthly household income must not be more than twice (2X) the monthly State old age pension and
- (ii) The average electricity consumption for the past 4 months must not exceed 400 kwh per month and
- (iii) The average water consumption for the past 4 months must not exceed 15 kl per month.

SUBSIDIES:

- Electricity: Total free units
- Water : per month (A. 901)
- Sewerage : per month (A. 904)
- Refuse : per month (A. 903)

TOTAL INDIGENT SUBS.

50 kwh	50 kwh
R105.31 +VAT	R113.73 +VAT
R154.36 +VAT	R154.36 +VAT
R85.35 +VAT	R92.18 +VAT
R345.02 +VAT	R360.27 +VAT

6.2 (B) SUBSIDIES TO POOR HOUSEHOLDS:

Definition: A household qualify as a poor household on the following conditions:

- (i) Total monthly household income must be more than the income mentioned in (A)(i) above but less than R5000 per month and
- (ii) The average electricity consumption for the past 4 months must not exceed 400 kwh per month and
- (iii) The average water consumption for the past 4 months must not exceed 15 kl per month.

SUBSIDIES:

- Water per month: (S. 911)
- Sewerage per month: (S. 914)
- Refuse per month: (S. 914)

TOTAL POOR SUBS.

R90.00 +VAT	R113.73 +VAT
R100.00 +VAT	R154.36 +VAT
R70.00 +VAT	R92.18 +VAT
R260.00 +VAT	R360.27 +VAT

6.3 OTHER SUBSIDIES

Buysplaas

- water per month (indigent household) (A. 915)
- water per month (Poor household) (A. 925)

R26.14	R31.05
R24.05	R31.05

TARIFFS 2012/2013

2011/12

2012/13

7 PROPERTY RATES

7.1.1 All Areas

1 Industrial, Commercial	(951)		R 0.004804
2 Accommodation establishments (regardless of the zoning)	(907)		R 0.003363
3 Agricultural properties / portions of it used for business/industrial	(908)		R 0.003363
4 Public service infrastructure property	(981)		R 0.003363
5 Residential (Including Flats and Group Housing but excluding accommodation establishments)	(901, 904, 905 and 906)		R 0.002402
6 Vleesbaai	(932)		R 0.000721
7 Agricultural (Excluding land used for business or accommodation purposes)	(921)		R 0.000601
8 Public Benefit Organisations	(980) (982)		R 0.000601
Municipal Properties	(911)	100% Rebate	100% Rebate
Churches	(983)	100% Exempted	100% Exempted
Parsonages	(912)	100% Exempted	100% Exempted

7.1.2 Special Rating Area- Mossel Bay Central Improvement District

Commercial Property- CID		R 0.000993
Residential Property- CID		R 0.000246

That the implementation plan and additional rate only be implemented and imposed after a Management Body (Section 21 Company) has been established in terms of the Special Rating Area By-law

The first R50 000 of the valuation of Residential properties is exempted from the levying of rates.

7.2 Discount to Pensioners w.r.t. single residential properties

Pensioners qualify for the under mentioned discounts of property rates if they comply with the following conditions:

- The applicant must be the registered owner
- The person must occupy the property himself
- Minimum age of registered owner must be 60 years.
- not be the owner of more than one property nationally or internationally

7.3 Discount to Pensioners

a) Total Gross Income of husband and wife may not exceed R9 000 per month (R108,000 per annum)	(906)	50% discount	50% discount
b) Total Gross Income of husband and wife may not exceed R12 000 per month (R144,000 per annum)	(905)	30% discount	30% discount

(All tariffs are ZERO RATED)

TARIFFS 2012/2013

2011/12

2012/13

8 FIRE BRIGADE FEES

8.1 Call Out charges per hour or part thereof for Fire and Rescue Services: Appliances

(a) Fire engine	per hour	R690.00	R730.00
(b) Standby per fire engine	per hour	R370.00	R390.00
(c) Portable pumps	per hour	R550.00	R583.00
(d) Extrication and or the use of specialized rescue equipment and Rescue vehicle.	per hour	R600.00	R636.00

8.2 Call Out of Fire and Rescue Services outside Municipal Area

(a) First hour per engine	per hour	R1,400.00	R1,484.00
(b) Per hour or part thereof, thereafter per engine	per hour	R500.00	R530.00
(c) Stand by per hour of part thereof, per engine	per hour	R380.00	R400.00
(d) Travel Fee	per km	R50.00	R53.00

8.3 Call Out charges per hour or part thereof for Fire & Rescue Services: Personnel

Fire fighter	per hour	R220.00	R230.00
Officer	per hour	R300.00	R318.00
Standby	per hour	R300.00	R318.00

8.4 Fire extinguishers re-fill, foam concentrate, etc.

Cost + 15% **Cost + 15%**

8.5 Clearing of vacant erven

Cost + 15% **Cost + 15%**

8.6 By-Law on Flammable Material

Section 9(2)(a)(i) Inspection Fee	10225/21/690	R200.00	R250.00
-----------------------------------	--------------	----------------	----------------

8.7 Inspection Fee - Cleaning of Erven

R200.00 **R212.00**

8.8 Industrial Training

per person per day **R275.00** **R290.00**

Fire Brigade Fees	15560 621 2130
Inspection Fees	15560 621 2145

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

9 LIBRARY & HALL FEES , TOWN HALL AND OTHER COMMUNITY HALLS

9.1 LIBRARY HALLS

a) Political meetings	per occasion	R460.00	R490.00
b) Welfare-, Religious and Educational Organisations: Non fund raising occasions	per occasion	R40.00	R45.00
c) Bona-fide Sport & Recreational occasions	per occasion	R50.00	R55.00
d) All other persons, organisations and institutions	per occasion	R150.00	R160.00
f) Rehearsals	per occasion	R25.00	R27.00

9.2 LIBRARY FEES

FINES:

Books overdue (max. R20,00 per item)	per week of part thereof	R2.00	R3.00
Video's	per day	R4.00	R5.00
Video's not played back	per video	R4.00	R5.00
Video's lost or damaged	per video	COST ONLY	COST ONLY
Lost Membership Cards	each	R15.00	R18.00
Reservation of Books	per book	R4.00	R5.00
Deposit Visitors	per book	R120.00	R130.00
Photostat copies (A4)	per copy	R1.00	R1.00

9.3 COUNCIL CHAMBERS & LECTURE ROOMS

Hartenbos Council Chamber	per occasion	R130.00	R140.00
Great Brak River Council Chamber	per occasion	R130.00	R140.00
Purification Works Lecture Room	per occasion	R100.00	R110.00

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

10 SPORT FACILITIES

10.1 SPORT FACILITIES - VAN RIEBEECK SPORT STADIUM

Hall:

Practicing of bona fide sport	per month	R105.00	R115.00
All other occasions	per occasion	R460.00	R495.00
Breakage Deposit		R430.00	R465.00

Club House:

All Occasions	per occasion	R625.00	R675.00
Breakage Deposit		R430.00	R465.00

Sport Grounds:

Athletics	per occasion/per field	R85.00	R95.00
	per club per season	R1,600.00	R1,720.00
Rugby	per occasion/per field	R90.00	R100.00
	per club per season	R1,600.00	R1,720.00
Cricket	per occasion/per field	R85.00	R95.00
	per club per season	R1,600.00	R1,720.00
Cricket night league	per occasion/per field	R85.00	R95.00
	per club per season	R1,600.00	R1,720.00
Hockey	per occasion/per field	R85.00	R95.00
	per club per season	R1,600.00	R1,720.00
Netball & Basket Ball	per occasion/per field	R70.00	R75.00
	per club per season	R1,210.00	R1,300.00
School Sports	per field per sport	R45.00	R50.00
	per sport per year	R525.00	R565.00

Point High School:

As per contract.

Stadium:

Per Sport occasion (including the use of sport grounds)	per day	R830.00	R890.00
	deposit	R1,480.00	R1,590.00
Per Social occasion (including use of sport grounds)	per day	R2,300.00	R2,475.00
	deposit	R3,025.00	R3,250.00
Van Riebeeck Sport grounds:	15592 661 2405		

10.2 SPORT FACILITIES - D'ALMEIDA

Hall:

Practicing of bona fide sport	per month	R65.00	R70.00
All other occasions	per occasion	R255.00	R275.00
Breakage Deposit		R430.00	R465.00

Club House:

All Occasions	per occasion	R570.00	R615.00
Breakage Deposit		R430.00	R465.00

Sport Grounds:

15592 661 2395

Athletics	per occasion/per field	R65.00	R70.00
	per club per season	R1,210.00	R1,300.00

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

10 SPORT FACILITIES (continues)

SPORT FACILITIES - D'ALMEIDA (continues)

Rugby	per occasion/per field per club per season	R65.00 R1,210.00	R70.00 R1,300.00
Cricket	per occasion/per field per club per season	R65.00 R1,210.00	R70.00 R1,300.00
Soccer	per occasion/per field per club per season	R50.00 R430.00	R55.00 R460.00
Netball & Basket Ball	per occasion/per field per club per season	R65.00 R790.00	R70.00 R850.00
School Sports	per field per sport per sport per year	R33.00 R350.00	R35.00 R375.00
Stadium:			
Per Sport occasion (including the use of sport grounds)	per day deposit	R425.00 R1,210.00	R455.00 R1,300.00
Per Social occasion (including use of sport grounds)	per day deposit	R1,700.00 R2,420.00	R1,830.00 R2,600.00

10.4 SPORT FACILITIES - EXTENSION 23

Sport Grounds:	15592 661 2395		
Soccer	per occasion/per field per club per season	R50.00 R910.00	R55.00 R980.00
School Sports - All Sports	per field per sport per sport per year	R35.00 R245.00	R55.00 R265.00
Stadium:			
Per Sport occasion (including the use of sport grounds)	per day deposit	R290.00 R650.00	R310.00 R700.00
Per Social occasion (including use of sport grounds)	per day deposit	R845.00 R1,210.00	R910.00 R1,300.00

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

10 SPORT FACILITIES (continues)

10.5 SPORT FACILITIES - HARTENBOS

Sport Grounds:	15592 661 2395		
Jukskei	per occasion/per field	R65.00	R70.00
	per club per season	R425.00	R460.00
Netball/Basket Ball/Korfbal	per occasion/per field	R60.00	R65.00
	per club per season	R395.00	R425.00
Toutrek	per occasion/per field	R60.00	R65.00
	per club per season	R400.00	R430.00
Per Social occasion	per day		R250.00
	deposit		R1,000.00

10.6 SPORT FACILITIES - FRIEMERSHEIM

Sport Grounds:	15592 661 2395		
Rugby	per occasion/per field	R60.00	R65.00
	per club per season	R510.00	R550.00
Soccer	per occasion/per field	R60.00	R65.00
	per club per season	R510.00	R550.00
School Sports	per occasion	R35.00	R40.00
	per sport per year	R345.00	R370.00
Per sport occasion	per day	R220.00	R235.00
	deposit	R605.00	R650.00
Per Social occasion	per day	R845.00	R910.00
	deposit	R1,210.00	R1,300.00

10.7 SPORT FACILITIES - GREAT BRAK RIVER

Sport Grounds:	15592 661 2395		
Rugby	per occasion/per field	R60.00	R65.00
	per club per season	R545.00	R585.00
Cricket	per occasion/per field	R60.00	R65.00
	per club per season	R545.00	R585.00
Soccer	per occasion/per field	R60.00	R65.00
	per club per season	R545.00	R585.00
Netball/Basket Ball	per occasion/per field	R60.00	R65.00
	per club per season	R360.00	R400.00
School Sports	per occasion	R35.00	R40.00
	per sport per year	R345.00	R370.00
Per sport occasion	per day	R290.00	R310.00
	deposit	R605.00	R650.00
Per Social occasion	per day	R725.00	R780.00
	deposit	R1,210.00	R1,300.00

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

10 SPORT FACILITIES (continues)

10.8 SPORT FACILITIES - BRANDWAG AND SONSKYNVALLEI

Sport Grounds:	15592 661 2395		
Rugby	per occasion/per field	R60.00	R65.00
	per club per season	R520.00	R560.00
School Sports	per occasion	R35.00	R40.00
	per sport per year	R345.00	R370.00
Per sport occasion	per day	R215.00	R230.00
	deposit	R605.00	R650.00
Per Social occasion	per day	R845.00	R910.00
	deposit	R1,210.00	R1,300.00

10.9 INDOOR SPORTS CENTRE

Use of indoor sports centre:			
- Monday to Thursday	per hour per hall	R17.50	R19.00
- Friday evening to Sunday evening	per hour per hall	R35.00	R40.00
Gymnastics club	per annum	R910.00	R980.00
Karate	per annum	R725.00	R780.00
Gymnasium	per annum	R605.00	R650.00
Badminton	per annum	R485.00	R520.00
<u>Use of centre for social occasions:</u>			
Per occasion:			
Hall		R575.00	R620.00
Kitchen		R170.00	R185.00
Boardroom			R100.00
Breakages refundable deposit		R495.00	R530.00

10.10 DECREASED SPORTS TARIFFS

The municipal manager has the authority to approve a tariff of 0% to 50% of approved sport facilities tariffs.

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

11 CARAVAN PARKS & CHALETS

(DE BAKKE, SANTOS AND POINT RESORTS)

IMPLEMENTATION 1ST FEBRUARY 2013

SEASONS:

High Season: 1st Dec - 16th Jan

Mid Season: 17th Jan - 1st May + 1st Sept - 30th Nov

Low Season: 2nd May - 31 August

11.1 CHALETS:

		<u>Low</u>	<u>Mid</u>	<u>High</u>
1 Bedroom	2006/2007	R315	R350	R485
1 Bedroom	2007/2008	R320	R360	R495
	2008/2009	R330	R360	R500
1 Bedroom	2009/2010	R350	R380	R500
	2010/2011	R360	R390	R550
	2011/2012	R360	R430	R715
	2012/2013	R380	R450	R750
2 Bedroom Ordinary	2006/2007	R420	R375	R575
	2007/2008	R425	R485	R585
2 Bedroom Lux	2006/2007	R440	R495	R630
2 Bedroom Lux	2007/2008	R450	R500	R640
	2008/2009	R450	R500	R650
2 Bedroom Lux	2009/2010	R450	R500	R700
	2010/2011	R460	R510	R770
	2011/2012	R460	R560	R1,000
	2012/2013	R480	R590	R1,060
3 Bedroom Ordinary	2006/2007	R515	R490	R590
	2007/2008	R525	R580	R735
3 Bedroom Lux	2006/2007	R580	R660	R805
3 Bedroom Lux	2007/2008	R590	R670	R815
	2008/2009	R600	R670	R820
3 Bedroom Lux	2009/2010	R600	R700	R850
	2010/2011	R620	R720	R925
	2011/2012	R620	R790	R1,200
	2012/2013	R650	R830	R1,270
Reserved Chalets	2006/2007	R630	R705	R920
Reserved Chalets	2007/2008	R640	R715	R930
	2008/2009	R650	R720	R950
Reserved Chalets	2009/2010	R650	R750	R950
	2010/2011	R670	R770	R1,050
	2011/2012	R670	R850	R1,360
	2012/2013	R710	R900	R1,440

DISCOUNTS LOW & MID SEASON:

Pensioners discount

20%

25%

Non-Pensioners discount

7 days or longer

20%

20%

Pensioners discount applies when the Chalet is occupied by at least one person over the age of 60 years and the number of persons does not exceed the number of beds provided.

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

11 CARAVAN PARKS & CHALETS (continues)

11.2 CARAVAN PARK SANTOS, DE BAKKE AND POINT

SEASONS:

High Season: 1st Dec - 16th Jan

Mid Season: 17th Jan - 1st May + 1st Sept - 30th Nov

Low Season: 2nd May - 31 August

		<u>Low</u>	<u>Mid</u>	<u>High</u>
Seafront	2009/2010	R140	R170	R320
	2010/2011	R140	R170	R360
	2011/2012	R140	R190	R470
	2012/2013	R150	R200	R490
Back Row	2009/2010	R110	R130	R250
	2010/2011	R110	R130	R280
	2011/2012	R110	R140	R360
	2012/2013	R120	R150	R380

Pensioners discount (+60 years);

Applies when the occupants are over 60 years

Low & Mid Season

50%

50%

A stay of 10 days and longer (single booking) Mid Season

Discount of

20%

20%

Block booking 11 caravan sites and more,(Mid season only)

Discount of

30%

50%

Pensioners special (to comply with conditions)

per month

R1,300.00

R1,350.00

Pensioners special (to comply with conditions)

per week

R400.00

Caravan Park : Point

15523 621 2075

Caravan Park : Santos/Bakke

15524 621 2075

11.3 ADDITIONAL CHARGES

11.3.1 Additional Persons occupying Chalets or Caravan Sites:

3 Bedroom Chalets Per Person exceeding 5	per day	R85.00	R90.00
2 Bedroom Chalets Per Person exceeding 4	per day	R85.00	R90.00
1 Bedroom Chalets Per Person exceeding 2	per day	R85.00	R90.00
Caravan sites Per Person exceeding 6	per day with max of 8 persons per site	R85.00	R90.00

The number of persons includes all children.

Additional guests are responsible for their own bedding and mattresses

or additional overnight occupants; no additional beds or bedding is available from the resort.

11.3.2 Entrance fees per Vehicle:

Chalets - per vehicle exceeding 2:	per day	R25.00	R30.00
Caravan Sites - per vehicle exceeding 1:	per day	R25.00	R30.00
Non Resident Guest's Visitors - per vehicle		R30.00	R35.00
Surfer/Diver Annual Fee per vehicle:		R300.00	R320.00

11.3.3 General Tariffs:

Shower/Bath	per person	R55.00	R60.00
Breakage/Key Deposit : on Chalet Key	per key	R450.00	R500.00
Damage to infrastructure/installations:	Repair cost	Cost + 15%	Cost + 15%

11.3.4 Booking System:

Confirmation of Booking Deposit required, Low and Mid Season within 24 hours of making a booking.

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

11 CARAVAN PARKS & CHALETS (continues)

11.3.5 Deposits Required:

a LOW OR MID SEASON

Chalets (One Nights Tariff)	per chalet	R680.00	R500.00
Caravan Park (One Nights Tariff)	per site	R280.00	R500.00

b DECEMBER HIGH SEASON DEPOSITS REQUIRED

Booking Application Fee per Application.	R80.00	R90.00
--	---------------	---------------

Application fee will be credited as part payment if the application is Successful, but is forfeited if unsuccessful.

Deposits Payable before 31st March

Chalets	R1,100.00	R2,000.00
Caravan Sites	R1,100.00	R2,000.00

11.3.6 Pensioners special monthly rate applies under the following conditions only:

1. That only two persons occupy the site for the duration of the stay.
2. That one of the persons occupying the site is over the age of 60 years.
3. That the occupation of the site is for a minimum of 1 week, but not exceeding 3 months.
4. That should the stay be for a period longer than 3 months a break of 1 month should be taken after the third month.
5. That this special tariff only applies to the Point Caravan Park.
6. That this special tariff does not apply to "seafront" stands.
7. That this special offer only applies to the Mid and Low season.
8. That no permanent resident status is implied or allowed.
9. That all the other rules and conditions of the resort be complied with.

11.3.7 OUTSTANDING BALANCES PAYABLE:

December High Season	Payable before 31 August
Easter WC Holidays	Payable before 31 January
Long weekends	Payable 2 weeks before occupation
Weekends	Payable 1 week before occupation

11.3.8 CANCELLATION FEES:

High Season:

Cancellation before 31st August for December or 31 January for Easter:

Booking Application Fee	0% refund
Booking Deposit	0% refund
Balance of Payment Made	90% refund

Cancellation between 31st August to 1 December (Dec) or during February (Easter):

Booking Application Fee + Booking Deposit..	0% refund
---	-----------

Balance of Payment: 50% of funds for Period site or chalet re-booked

No Showing...No refund, subject to cancellation fees and reasons for non-occupation.

Low and Mid Season:

Confirmation of Booking Deposit....	0% refund
-------------------------------------	-----------

Balance of Payment made:

When the booking is cancelled:

Less than 48 hours to occupation	0% refund
One month to 48 hours to occupation	50% refund
Three Months to one month to occupation	75% refund
Three months plus to occupation	100% refund

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

11 CARAVAN PARKS & CHALETS (continues)

11.3.9 Alteration Fees

Per alteration

R35.00

R40.00

11.3.10 Refund on Early Departure/Shortening of Stay (subject to minimum booking periods):

Charges: Less 10% refunded amount of R100,00 which-ever is greater

Full refunds on early vacation of sites / chalets only in cases of Death or Serious injury/illness and supported by Death Certificate or Medial Certificate (subject to minimum charges.)

In all other cases only 50% of the unused accommodation costs will be refunded should the resort concerned be successful in re-letting the accommodation. Sites/Chalets vacated after 10h00 on the day of departure do not qualify for a refund on that particular day.

Where Deposits or outstanding balances are not paid, or notification of payment are not received by the Resort concerned, by the due date, bookings will be cancelled without further correspondence.

Where bookings are not taken up by 12h00 on the morning following the date of arrival, and no further arrangements are made with the resort concerned, these will be treated as "No Show's" and cancelled without further correspondence.

All cancellation fees are subject to minimum booking periods and in cases where the shortening of stay clashes with the minimum booking period policy no refunds or credits will be given.

11.3.11 Minimum Booking Periods:

December High Season

23 December to 2 January

14 days

Rest of High Season

7 days

Mid and Low Season

Long weekends, 5 day long weekends

4 days

4 day long weekends

3 days

Ordinary weekends

2 days

School Holidays

7 days

Caravan Parks:

December High Season

Seafront

25 days

Back row

21 days

WC Easter Holidays

7 days

Note that special conditions exist for persons rebooking the December High Season

Sites for the following year. Refer to December application forms.

De Bakke Resort: Gate fees

15544 621 2135

De Bakke Resort: Rental

15544 621 2435

11.3.12 Decreased Tariffs:

The municipal manager has the authority to approve a tariff of 0% to 50% of approved.

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

		<u>2011/12</u>	<u>2012/13</u>
12 <u>TRAFFIC DEPARTMENT</u>			
12.1 <u>Storage of removed vehicle</u>	per day or part thereof (per vehicle)	R75.00	R80.00
12.2 <u>Removing of Vehicle</u>		Cost +20%	Cost +20%
12.3 <u>Removal of objects for impoundment</u>			
12.3.1 Removed by municipal official	per official per hour or part thereof, plus per kilometer travelled	R160.00 R15.00	R175.00 R17.00
12.3.2 Removed by contractor		Cost +20%	Cost +20%
12.4 <u>Escorting for Funerals</u>	Free of charge	R0.00	R0.00
12.5 <u>All other escorting or gatherings:</u>	per application per occ.	R170.00	R190.00
	per Traffic Officer per hour or part thereof, plus per kilometer travelled	R120.00 R15.00	R175.00 R17.00
12.6 <u>Escorting of School Actions for Fund Raising</u>		R150.00	R165.00
12.7 <u>Admin Fee on repayment of fees</u>	20% of amount		
12.8 <u>Containers stored on public road / open space (per month)</u>		R880.00	R960.00
12.9 <u>Vehicles/Boats stored on public open space (per month)</u>		R880.00	R960.00
12.10 <u>Removal of vessel from beach</u>		Cost +20%	Cost +20%
12.11 <u>Removal of illegal advertisement</u>	Per object removed	R200.00	R220.00
12.12 <u>Application for disabled parking (including laminated permit)</u>		R30.00	R35.00

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

13 DEVELOPMENT & PLANNING

13.1 Town Planning

Rezoning (Ord. 15/85)	17742-621-2160	R1,350.00	R1,500.00
Departure (Ord. 15/85)	17742-621-2160	R1,000.00	R1,100.00
Consent use (Ord. 15/85)	17742-621-2160	R780.00	R860.00
Contravention Levy (Ord. 15/85)	17742-621-2160		R1,500.00
Subdivision (Ord. 15/85) (Tariff for 10 erven) (Plus R60 per erf above 10 erven)	17742-621-2165	R780.00	R860.00
Removal of restrictive conditions (Act 84 of 1967)	17742-621-2155	R1,350.00	R1,500.00
Zoning Certificates	17742-621-2170	R110.00	R125.00
Contravention levy (Sec. 44 Ord. 15/85) (or according to Directive)		R10,000.00	R10,000.00
CD ROR and Scheme Regulations		R160.00	R180.00
Admin Charge - Appeal (Sec 62) Systems Act		R1,350.00	R1,500.00
Amendment/Compatibility Guide plan		R2,000.00	R2,250.00
Amendment Urban Edge (SDF)		R2,000.00	R2,250.00
Section 4(5) Sectional Title application		R500.00	R550.00
Relaxation of building line		R500.00	R550.00
Relaxation of building line - indigent/poor households		R50.00	R55.00
Relaxation of building line - properties with valuations less than R50 000		R50.00	R55.00
Site Development Plan		R1,000.00	R1,150.00
Amendment of Conditions of Approval		R1,350.00	R1,500.00
Extension of approval for Rezoning and Subdivision		R650.00	R750.00
Application for approval of container		R500.00	R700.00

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

13 DEVELOPMENT & PLANNING (continues)

13.2 Plans, enquiries and information

SG & site information - per property or stand (including copy)

R20.00

R23.00

Plan Copies	AO	17742-621-2225
	A1	17742-621-2225
	A2	17742-621-2225

R68.00

R75.00

R56.00

R63.00

R45.00

R50.00

Photostat copies	A3	17742-621-2225
	A4	17742-621-2225

R2.80

R3.10

R1.70

R1.90

Colour copies per sheet :

A4	17742-621-2225
A3	17742-621-2225
A2	17742-621-2225
A1	17742-621-2225
A0	17742-621-2225

R10.00

R11.00

R17.00

R19.00

R66.00

R74.00

R100.00

R110.00

R125.00

R140.00

Black & white copies per sheet :

A4
A3

R6.00

R7.00

R9.00

R10.00

13.3 Development contributions

Land Use Planning Ordinance No. 15 of 1985 and relevant Council Policy, directives and legislation are to be used as guidelines when cost for development contributions are determined.

The determined cost amount should be provided to the Town Planning Directorate to be included in the item pertaining the approval of the said application.

**As calculated by the
relevant Directors in
terms of the approved
Council Policy**

Development contributions: Subdivision/Rezoning/Granny flats/(Duette)

Development contributions to informal areas are to be determined by relevant Directors in terms of approved Council Policy

Caravan Parks / Hotels / Motels development contributions are to be determined by relevant Directors in terms of approved Council Policy.

Development contributions in respect of industrial developments with abnormal consumption of services are to be determined by the relevant Directors in terms of approved Council Policy

Alienation and leasing of Municipal land

Application to purchase or lease Municipal land (not refundable)

R1,350.00

R1,500.00

Application to lease Municipal land for gardening purposes (not refundable)

R280.00

R320.00

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

13 DEVELOPMENT & PLANNING (continues)

13.4 Building Plan Fees (Act 103 of 1977)

New structures, additions & alterations per m ² - residential	17742-621-2065	R25.00	R27.00
New structures, additions & alterations per m ² - residential larger than 500 m ² and non-residential	17742-621-2065	R28.00	R30.00
Agricultural buildings on farms per m ²	17742-621-2065	R21.00	R22.00
Internal alterations per R1 000 value	17742-621-2065	R25.00	R26.00
Minimum Plan Fee/"As built" plan	17742-621-2065	R280.00	R320.00
Swimming Pool	17742-621-2065	R400.00	R450.00
Retaining walls (with Engineer's certificate)	17742-621-2065	R280.00	R320.00
Temporary structures	17742-621-2065	R280.00	R320.00
Minor building works (approval valid for 6 months) - residential	17742-621-2065	R280.00	R320.00
Minor building works (approval valid for 6 months) - non-residential	17742-621-2065	R350.00	R400.00
Amend approved building plan (no increase in area of building)	17742-621-2065	R280.00	R320.00
Erect residential houses - low costing housing up to 65m ²	17742-621-2065	R130.00	R140.00
New structures, additions and alterations - indigent/poor households	17742-621-2065	R50.00	R60.00
New structures, additions and alterations - properties with valuations less than R50 000	17742-621-2065	R50.00	R60.00
Masts and antennas		R1,000.00	R1,100.00
Demolition certificate		R350.00	R400.00
Certificate of Occupancy on completion of building work prior to occupancy		R350.00	R400.00
Certificate of Occupancy in all other cases other than on completion of building work and prior to occupancy		R1,000.00	R1,100.00

Plan Fees : religious, welfare, benevolent and charitable organizations pay 25 % of normal building plan fees with minimum of R280

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

13 DEVELOPMENT & PLANNING (continues)

13.5 Builder's deposit

Refundable Builders Deposit's: Extensions/renovations		R1,500.00	R1,500.00
New Houses		R4,000.00	R4,000.00
Industrial/Commercial	< 500 m²	R4,000.00	R4,000.00
Industrial/Commercial	> 500 m²	R15,000.00	R15,000.00
Group Housing	< 10 units	R15,000.00	R15,000.00
General Residential	> 10 units	R25,000.00	R25,000.00
Refundable Builder's deposit: indigent/poor households with valuations of less than R50 000		R750.00	R75.00

Usage of side walks: 17742-661-2484

Extensions/renovations : R250 per month with minimum of R750		R825.00	R900.00
New Houses : R350 per month with minimum of R1050		R1,155.00	R1,300.00
Industrial/Commercial : R500 per month with minimum of R1500	< 500 m²	R1,650.00	R1,850.00
Industrial/Commercial : R600 per month with minimum of R3600	> 500 m²	R3,960.00	R4,400.00
Group Housing : R2000 per month with minimum of R12 000	< 10 units	R13,200.00	R15,000.00
General Residential : R3000 per month with minimum of R18 000	> 10 units	R19,800.00	R22,000.00

The Building Inspectors must monitor the usage of sidewalks and ensure that additional rentals are levied if sidewalks are utilised for more than the specified months .

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

13 DEVELOPMENT & PLANNING (continues)

13.6 Outdoor Advertising & Signage

17742-841-2709

Schedules 2 to 8 Applications (Billboards, etc.)

Application fee per sign	R250.00	R260.00
--------------------------	---------	---------

Approval fee per square meter	R110.00	R115.00
-------------------------------	---------	---------

Schedules 2 to 8 Amendments (including extension of time) (Billboards)

Application fee per sign	R390.00	R420.00
--------------------------	---------	---------

Approval fee per square meter of total face of sign	R110.00	R120.00
---	---------	---------

Schedule 9 (Headline posters)

Application fee	R165.00	R180.00
-----------------	---------	---------

Approval fee per poster with maximum fee of R200 per event	R5.50	R6.00
--	-------	-------

Schedules 10 and 11 (Posters, banners, flags, etc.)

Application fee per event or enterprise	R440.00	R480.00
---	---------	---------

Approval fee per event or enterprise	R1,100.00	R1,200.00
--------------------------------------	-----------	-----------

Schedules 10 and 11 Amendments (Posters, banners, flags, etc.)

Application fee per event or enterprise	R390.00	R420.00
---	---------	---------

Approval fee per event or enterprise	R830.00	R880.00
--------------------------------------	---------	---------

Extension of time will be dealt with as a new application

Schedule 12 (Estate Agent posters)

Application fee	R350.00	R350.00
-----------------	---------	---------

Approval fee per Agency per annum	R2,000.00	R2,000.00
-----------------------------------	-----------	-----------

Schedule 13 (Portable signs)

Application fee per square meter with maximum fee of R500	R55.00	R60.00
---	--------	--------

Amendment fee per square meter with maximum fee of R400	R55.00	R60.00
---	--------	--------

Schedule 14 (Aerial signs)

Application fee per square meter with maximum fee of R1 000	R70.00	R80.00
---	--------	--------

Any amendment will be a new application

Schedule 15 (Transit advertising)

Application fee	R110.00	R120.00
-----------------	---------	---------

Approval fee per sign per day	R85.00	R95.00
-------------------------------	--------	--------

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

	<u>2011/12</u>	<u>2012/13</u>
14 CEMETERIES		
14.1 <u>Plot Costs (Reserved and paid in advance)</u>	R620.00	R650.00
14.2 <u>Opening of a grave ** See note</u>		
Child Grave (1.4m)	R620.00	R650.00
Single Grave (1.8m)	R785.00	R820.00
Double Grave (2.4m)	R1,110.00	R1,200.00
14.3 <u>Re-Opening of a grave ** See note *</u>		
Child Grave (1.4m)	R220.00	R240.00
Single Grave (1.8m)	R285.00	R300.00
Double Grave (2.4m)	R370.00	R400.00
14.4 <u>Other</u>		
Grave in niche wall:	R75.00	R80.00
Permit for erecting of full grave tomb	R470.00	R500.00
Permit for erecting of memorial stone (Hartenbos)	R175.00	R185.00
Rental of grave yard plot	(according to contract)	
14.5 <u>Graves for Indigent: ** See note</u>		
Child Grave (1,4m)	R85.00	R90.00
Single Grave (1,8m)	R170.00	R180.00
Double Grave (2.4)	R335.00	R350.00
Burials	15532 621 2080	
Erections of Tombstones	15532 621 2085	

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

15 TARIFFS I.R.O. INFORMATION TO THE PUBLIC AND OTHER SUNDRY TARIFFS

15.1 Check of, perusal of any account, document, etc.	13300-621-2250	As Per Act	As Per Act
15.2 Seeking of unknown banking payments	13300-621-2250	As Per Act	As Per Act
15.3 Perusal of Deeds, document of drawing	13300-621-2250	As Per Act	As Per Act
15.4 Deed Search		R15.00	R16.00
15.5 Photostat - A4 (per copy) min. of R6,00	12200-621-2190	R1.65	R1.80
Photostat - A4 (Friemersheim & Herbertsdale) (per copy)	12200-621-2190	R1.65	R1.80
15.6 Request for information (Act 2 of 2000)	13300-621-2250	As Per Act	As Per Act
15.7 Agenda - Council Meeting	12200-621-2190	R100.00 each	R100.00 each
Agenda - Executive Mayoral Committee	12200-621-2190	R50.00 each	R50.00 each
Agenda- Committees (per Committee Agenda)	12200-621-2190		R30.00 each
Copy of Verbatim Minutes (per A.4 page)	12200-621-2190	R90.00	R100.00
15.8 Valuation Certificate	13300-621-2280	R100.00	R130.00
15.9 Clearance application			
(a) Manual application	13300-621-2094	R200.00	R250.00
(b) Electronic application	13300-621-2094	R50.00	R50.00
15.10 Ward Voting Lists (per list)	(max. of 5 copies per) registered political party per ward)	R80.00	R90.00
15.11 Revaluation of property	per property	R480.00	R530.00
15.12 Cheques & debit orders referred back by Bank- Admin Fee	13300-841-2685	R100.00	R100.00
15.13 Duplicate municipal account			
(a) Electronic	per page	R5.00	R5.00
(b) Hard copy	per page	R7.00	R7.00
15.14 Any information not in this tariff list - Actual cost plus 15% Admin. Fee	13300-841-2685		

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

2011/12

2012/13

15 TARIFFS I.R.O. INFORMATION TO THE PUBLIC AND OTHER SUNDRY TARIFFS (Continues)

15.15 TENDER DOCUMENTS

Tender documents with:

	2011	2012
1 - 50 pages	R75.00	R79.00
51 - 100 pages	R150.00	R158.00
101 - 150 pages	R225.00	R235.00
151 - 200 pages	R300.00	R315.00
201 - 250 pages	R375.00	R395.00
251 - 300 pages	R450.00	R475.00
301 - 350 pages	R525.00	R550.00
351 - 400 pages	R600.00	R630.00

(Additional documents will be charged at the same rate as the original copy of a tender document.
As per above charges)

15.16 Carport Hire - Hire of open area carports by Municipal personnel	R13.00	R18.00
- Hire of closed area carports by Municipal personnel	R20.00	R25.00
- Hire of Garages by Municipal personnel	R26.00	R30.00

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

		<u>2011/12</u>	<u>2012/13</u>
16 <u>ENGINEER'S DEPARTMENT & SUNDRY FEES</u>			
16.1	<u>ENGINEER'S DEPARTMENT</u>		
16.1.1	<u>Broadening of Vehicle Entrance - Bigger than 4 m²</u>	per m²	
		R255.00	R270.00
16.1.2	<u>Molding of Vehicle Entrances:</u>		
	First 25 m²	per m²	
		R137.00	R145.00
	Thereafter	per m²	
		R286.00	R300.00
	Tiling of Pavement	per m²	
		R190.00	R200.00
	Repair of tarred surfaces	per m²	
		R328.00	R350.00
16.2	<u>SUNDRIES</u>		
16.2.1	<u>Displaying of banner</u>		
	Hanging of Banner	per banner per occasion (max. of 7 days)	
		R800.00	R900.00
16.2.2	<u>Licensing of Boats: Great Brak River and Little Brak River</u>		
	0 - 7,5 Kw		
		R25.00	R27.00
	7,6 - 50 Kw	per Kw per year	
		R3.00	R3.30
	51 - 75 Kw		
		R130.00	R150.00
		Plus / Kw over 50 Kw /year	
		R6.00	R6.50
	76 - 100 Kw		
		R275.00	R300.00
		Per Kw over 75 Kw / year	
		R9.35	R10.20
16.2.3	<u>Hawkers Tariffs:</u>	As per negotiations and Council Resolution thereafter	
16.2.4	<u>Rental- Goods Shed</u>	As per negotiations and Council Resolution thereafter	
(All tariffs are INCLUSIVE of VAT)			

TARIFFS 2012/2013

2011/12

2012/13

17 COLLECTION COSTS LEVIED BY MUNICIPALITY

17.1 NOTICES

ELECTRICITY - Business list - 24 hour notice
WATER - Notice delivery (7 day notices)
Final demands

**R55.00
R55.00
R55.00**

**R60.00
R60.00
R60.00**

17.2 RESTRICTIONS

Electricity disconnections
Water restriction

**R220.00
R230.00**

**R250.00
R250.00**

17.3 FURTHER ACTIONS : ADMINISTRATIVE COSTS

Admin Fee 1 - Summons
Admin Fee 2 - Letter of execution

**R250.00
R175.00**

**R300.00
R200.00**

17.4 TRACING

Credit reports
Door to door tracing

**R55.00
R275.00**

**R60.00
R300.00**

(All tariffs are INCLUSIVE of VAT)

TARIFFS 2012/2013

	<u>2011/12</u>	<u>2012/13</u>
18 <u>USE OF HARRY GIDDY PARK</u>		
18.1 <u>Wedding ceremonies</u>	R180.00 +VAT	R190.00 +VAT
18.2 <u>Church groups</u>	Free	Free
18.3 <u>School groups</u>	Free	Free
18.4 <u>Tea parties</u>	R160.00 +VAT	R170.00 +VAT
18.5 <u>Kids parties</u>	R160.00 +VAT	R170.00 +VAT
18.6 <u>Other parties</u> (Other parties means any other party which, in the opinion of the Municipal Manager, has merit.)	R160.00 +VAT	R170.00 +VAT
18.7 <u>REFUNDABLE DEPOSIT</u> A refundable deposit will be levied for the above-mentioned use of the Harry Giddy Park)	R220.00	R250.00
18.8 <u>Additional fees:</u>		
18.8.1 - If electricity is needed	R25.00	R30.00

(Certain conditions apply to the above-mentioned use of the Harry Giddy Park)

(Where not stipulated, Prices are INCLUSIVE of VAT)

TOWN HALL AND COMMUNITY HALLS :2012/2013

	TOWN HALL	D'ALMEIDA HALL	KWANONQABA HALL	JOE SLOVO HALL	FRIEMERSHEIM BRANDWAG SONSKYNNALLEI	COMMUNITY HALLS AT: LITTLE BRAK RIVER, REEBOK DANA BAY & BOGGOMS BAY	SIDE HALL TOWNHALL	HERBERTS-DALE HALL
WEEK DAYS, EXCLUDING FRIDAY EVENINGS								
Day:	585	350	260	170	200	240	200	100
Evening:	710	390	295	210	210	230	270	150
FRIDAY EVENINGS, SATURDAYS, SUNDAYS AND PUBLIC HOLIDAYS								
Day:	795	500	450	280	320	430	300	150
Evening:	1200	620	590	390	440	590	500	180
ADDITIONAL TARIFFS PER OCCASION								
Kitchen	490							
(Without crockery)	490	330	250	115	125	125	460	N/A
CROCKERY PER 100 MENSE	300	230	N/A	N/A	N/A	N/A	290	N/A
Bar facilities (without glassware)	300	120	N/A	N/A	N/A	N/A	300	N/A
Piano	450	250	N/A	N/A	N/A	N/A	400	N/A
Dancing, music shows ,deposits	1000	0	N/A	N/A	N/A	500	500	N/A
Breakages deposit refundable	700	600	500	500	500	550	650	200
Rent of Chairs (per chair)	9	0	0	0	0	0	0	N/A
Rent of Tables (per table)	29	0	0	0	0	0	0	N/A
Breakages deposit on Chairs & Tables - Refundable	400	0	0	0	0	0	0	N/A

LEASING PERIODS:

With reference to abovementioned tariffs means:

Day: the period from 09h00 to 17h00

Evening: the period from 17h00 to 24h00

DECREASED TARIFFS

CULTURAL, EDUCATIONAL, RELIGIOUS, WELFARE, COMMUNITY, SPORTS AND SERVICE ORGANISATIONS:

A decreased tariff of 10% of the normal tariff is applied in respect of cultural, educational, religious, welfare, community and service organisations and sports clubs unless entrance or attendance fees are levied in which case the full tariff is payable.

The decreased tariffs of 10% are not allowed on Friday evenings, Saturdays, Sundays or Public Holidays in respect of the Town Hall.

Sport organisations and clubs can negotiate a term of tariff, considering the availability of the particular hall.

WEEKENDS: (FRIDAYS, SATURDAYS, SUNDAYS AND PUBLIC HOLIDAYS

A decreased tariff of 20% of the normal weekend tariff is levied from abovementioned type of organisations.

MORE THAN THREE CONSECUTIVE DAYS:

In cases where a hall is leased for more than three consecutive days for the day and evening and the cleaning services are not required, the day tariff will not be levied for the lease period.

REHEARSAL OR EXERCISE

In cases where a hall is leased during normal office hours for rehearsal or exercises and the lessee does not require any preparations or cleaning services or where no overtime tariff is payable to Personnel, a decreased tariff of 10% of the normal day tariff will be applicable. For the purposes of this paragraph "rehearsal or exercise" means:-

To exercise or prepare for a function which will occur at a later date in the particular hall or to teach or to train for a purpose which is in the opinion of the Management and Administration educational of nature".

OFFICIAL USE

The hall/s are made available free of charge for any purposes to the Municipality whilst individual Councillors may use the hall in his ward four times per year for ward committee meetings free of charge.

PAYMENT OF RENTAL (EXCLUDING ADDITIONAL TARIFFS) AND CANCELLATIONS:

1. Rentals are strictly payable in advance with bookings.
2. If any booking is cancelled and the particular hall is leased to another lessee for the same date, the full amount minus 15% administration cost will be paid back to the original lessee. If the hall is not leased for the same date, only 50% of the rental will be refunded.
3. That bookings, as far as possible, not be made longer than one months.
4. Hiring of Chairs & Tables - Transport thereof for the Lessor

Now organisations can book any hall more than one months in advance .

(All tariffs are V.A.T. INCLUDED)

TARIFFS 2011/2012 - ANNEXURE A

WATER CONSUMPTION TARIFFS WHEN THE DAM WATER SUPPLY IS BELOW 30% **(Refer Tariff 3.11)**

2012/13

3 WATER TARIFF CHARGES

A. CONSUMERS WITH CONNECTIONS UP TO 25 MM

3.1 Residential or business with up to 4 consumers and with one joint meter

(Tariff codes: 101, 108, 122 and 131)

a) Basic per consumer	per month	R113.73 +VAT
b) Metered Consumption		
1 kl to 20 kl	per kl.	R8.10 +VAT
21 kl to 30 kl	per kl.	R11.34 +VAT
31 kl to 40 kl	per kl.	R14.58 +VAT
41 kl to 50 kl	per kl.	R19.44 +VAT
51 kl to 60 kl	per kl.	R24.30 +VAT
61 kl to 80 kl	per kl.	R29.16 +VAT
> 80 kl	per kl.	R38.88 +VAT

Note: Indigent consumers qualify for 6 kl. Free water notwithstanding the level of the Wolwedans dam.

3.2 Business complexes with more than 4 business consumers and with one joint meter

(Tariff code: 121 and 131)

a) Basic per consumer	per month	R113.73 +VAT
b) Metered Consumption		
0 kl to 50 kl	per kl.	R8.10 +VAT
51 kl to 60 kl	per kl.	R11.34 +VAT
61 kl to 70 kl	per kl.	R14.58 +VAT
71 kl to 80 kl	per kl.	R19.44 +VAT
91 kl to 100 kl	per kl.	R24.30 +VAT
101 kl to 120 kl	per kl.	R29.16 +VAT
> 120 kl	per kl.	R38.88 +VAT

3.3 Flats, Other Residential and Business complexes with more than 4 consumers and with one joint meter

(Tariff code: 121 and 131)

a) Basic per consumer	per month	R113.73 +VAT
b) Metered Consumption		
0 kl to 60 kl	per kl.	R8.10 +VAT
61 kl to 100 kl	per kl.	R11.34 +VAT
101 kl to 150 kl	per kl.	R14.58 +VAT
151 kl to 200 kl	per kl.	R19.44 +VAT
201 kl to 250 kl	per kl.	R24.30 +VAT
251 kl to 300 kl	per kl.	R29.16 +VAT
> 300 kl	per kl.	R38.88 +VAT

TARIFFS 2011/2012 - ANNEXURE A

WATER CONSUMPTION TARIFFS WHEN THE DAM WATER SUPPLY IS BELOW 30% **(Refer Tariff 3.11)**

2012/13

3 WATER TARIFF CHARGES (Continues)

B. CONSUMERS WITH CONNECTIONS BIGGER THAN 25 MM

3.4 Up to nine (9) consumers and with one joint meter

(Tariff code: 103)

a) Basic Fee	per month	R1,091.90 +VAT
b) Metered Consumption		
0 kl to 200 kl	per kl.	R8.10 +VAT
201 kl to 300 kl	per kl.	R11.34 +VAT
301 kl to 400 kl	per kl.	R14.58 +VAT
401 kl to 500 kl	per kl.	R19.44 +VAT
501 kl to 600 kl	per kl.	R24.30 +VAT
601 kl to 800 kl	per kl.	R29.16 +VAT
> 800 kl	per kl.	R38.88 +VAT

Note: Indigent consumers qualify for 6 kl. Free water notwithstanding the level of the Wolwedans dam.

3.5 Medium connections with more than nine (9) consumers and with one joint meter using less than 1000 kl per month (Tariff code: 105 & 132)

a) Basic per consumer	per month	R113.73 +VAT
b) Metered Consumption		
0 kl to 300 kl	per kl.	R8.10 +VAT
301 kl to 600 kl	per kl.	R11.34 +VAT
601 kl to 900 kl	per kl.	R14.58 +VAT
901 kl to 1200 kl	per kl.	R19.44 +VAT
1201 kl to 1500 kl	per kl.	R24.30 +VAT
1501 kl to 2000 kl	per kl.	R29.16 +VAT
> 2000 kl	per kl.	R38.88 +VAT

3.6 Bulk Consumers (consumed more than 1000 kl/month for four months over a period of 12 months) (Tariff code: 104)

a) Basic Fee	per month	R5,914.41 +VAT
b) Metered Consumption		
0 kl to 2000 kl	per kl.	R8.10 +VAT
2001 kl to 3000 kl	per kl.	R11.34 +VAT
3001 kl to 4000 kl	per kl.	R14.58 +VAT
4001 kl to 5000 kl	per kl.	R19.44 +VAT
5001 kl to 6000 kl	per kl.	R24.30 +VAT
6001 kl to 8000 kl	per kl.	R29.16 +VAT
> 8000 kl	per kl.	R38.88 +VAT

TARIFFS 2011/2012 - ANNEXURE A

WATER CONSUMPTION TARIFFS WHEN THE DAM WATER SUPPLY IS BELOW 30% **(Refer Tariff 3.11)**

2012/13

3 WATER TARIFF CHARGES (Continues)

C. SPECIAL WATER TARIFFS

3.7 Other Special Water Tariffs

a) Raw Water : Basic plus 15 kl (Tariff code: 107)			R113.73 +VAT
	> 15 kl per kl.		R7.50 +VAT
b) Searles Slood (Tariff code: 109)	0 - 50 kl per kl.		R0.00 +VAT
	> 50 kl per kl.		R7.50 +VAT
c) Buffalo Farming - plus 15% surcharge (Tariff code: 110)	0 - 30 kl per kl.		R7.50 +VAT
	31 - 45 kl per kl.		R13.50 +VAT
	46 - 80 kl per kl.		R18.00 +VAT
	> 80 kl per kl.		R22.50 +VAT
d) Buysplaas (Tariff code: 115)	Basic Fee		R31.05 +VAT
	0 - 6 kl per kl.		R0.00 +VAT
	7 - 60 kl per kl.		R8.10 +VAT
	> 60 kl per kl.		R11.34 +VAT
e) JB Hoevers - plus 15% surcharge (Tariff code: 116)	0 - 9999 kl per kl.		R6.00 +VAT
f) Punt Hotel (Slegs vir tuine op publieke grond) (Tariff code: 117)	0 - 80 kl (no basic) per kl.	As per Agreement,	
	> 80 kl plus Basic Fee of	including normal	
	> 80 kl per kl.	increases	

3.9 Other consumers (special arrangements)

Vleesbaai (According to approved contract) (Tariff code: 191)			
Basic Fee	per month		R1,094.89 +VAT
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above			
Retirement Village Hartenrus (68) (Tariff code: 174)			
Basic Fee (for 68 household units)	per month		R7,734.51 +VAT
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above			
Santos Haven I (100) (Tariff code: 111)			
Basic Fee (for 100 household units)	per month		R11,373.33 +VAT
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above			

TARIFFS 2011/2012 - ANNEXURE A

WATER CONSUMPTION TARIFFS WHEN THE DAM WATER SUPPLY IS BELOW 30% **(Refer Tariff 3.11)**

2012/13

3 WATER TARIFF CHARGES (Continues)

3.9 Other consumers (special arrangements) - CONTINUES

Santos Haven 2 (106) (Tariff code: 152)

Basic Fee (for 106 household units)	per month	R12,055.61 +VAT
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above		

Petrosa (Tariff code: 151)

Basic Fee	per month	R5,914.41 +VAT
Metered Consumption for more than 6000 kl consumed	per kl.	Same as Bulk Tariff
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above		

Sporting Bodies (Tariff code: 114)

Metered Consumption	per kl.	R6.00 +VAT
---------------------	---------	-------------------

Departmental Use (Tariff code: 112)

per kl.	R5.40 +VAT
---------	-------------------

Supply of water in rural areas

(Certain conditions apply)	6 kl. Per month to registered users	R534.60 +VAT
----------------------------	-------------------------------------	---------------------

TARIFFS 2011/2012 - ANNEXURE B

WATER CONSUMPTION TARIFFS WHEN THE DAM WATER SUPPLY IS BELOW 20% **(Refer Tariff 3.11)**

2012/13

3 WATER TARIFF CHARGES

A. CONSUMERS WITH CONNECTIONS UP TO 25 MM

3.1 Residential or business with up to 4 consumers and with one joint meter

(Tariff codes: 101, 108, 122 and 131)

a) Basic per consumer	per month	R113.73 +VAT
b) Metered Consumption		
1 kl to 20 kl	per kl.	R10.80 +VAT
21 kl to 30 kl	per kl.	R15.12 +VAT
31 kl to 40 kl	per kl.	R19.44 +VAT
41 kl to 50 kl	per kl.	R25.92 +VAT
51 kl to 60 kl	per kl.	R32.40 +VAT
61 kl to 80 kl	per kl.	R38.88 +VAT
> 80 kl	per kl.	R51.84 +VAT

Note: Indigent consumers qualify for 6 kl. Free water notwithstanding the level of the Wolwedans dam.

3.2 Business complexes with more than 4 business consumers and with one joint meter

(Tariff code: 121 and 131)

a) Basic per consumer	per month	R113.73 +VAT
b) Metered Consumption		
0 kl to 50 kl	per kl.	R10.80 +VAT
51 kl to 60 kl	per kl.	R15.12 +VAT
61 kl to 70 kl	per kl.	R19.44 +VAT
71 kl to 80 kl	per kl.	R25.92 +VAT
91 kl to 100 kl	per kl.	R32.40 +VAT
101 kl to 120 kl	per kl.	R38.88 +VAT
> 120 kl	per kl.	R51.84 +VAT

3.3 Flats and Residential complexes with more than 4 consumers

with one joint meter (Tariff code: 123, 124 and 131)

a) Basic per consumer	per month	R113.73 +VAT
b) Metered Consumption		
0 kl to 60 kl	per kl.	R10.80 +VAT
61 kl to 100 kl	per kl.	R15.12 +VAT
101 kl to 150 kl	per kl.	R19.44 +VAT
151 kl to 200 kl	per kl.	R25.92 +VAT
201 kl to 250 kl	per kl.	R32.40 +VAT
251 kl to 300 kl	per kl.	R38.88 +VAT
> 300 kl	per kl.	R51.84 +VAT

TARIFFS 2011/2012 - ANNEXURE B

WATER CONSUMPTION TARIFFS WHEN THE DAM WATER SUPPLY IS BELOW 20% **(Refer Tariff 3.11)**

2012/13

3 WATER TARIFF CHARGES (Continues)

B. CONSUMERS WITH CONNECTIONS BIGGER THAN 25 MM

3.4 Up to nine (9) consumers and with one joint meter

(Tariff code: 103)

a) Basic Fee	per month	R1,091.90 +VAT
b) Metered Consumption		
0 kl to 200 kl	per kl.	R10.80 +VAT
201 kl to 300 kl	per kl.	R15.12 +VAT
301 kl to 400 kl	per kl.	R19.44 +VAT
401 kl to 500 kl	per kl.	R25.92 +VAT
501 kl to 600 kl	per kl.	R32.40 +VAT
601 kl to 800 kl	per kl.	R38.88 +VAT
> 800 kl	per kl.	R51.84 +VAT

3.5 More than nine (9) consumers and with one joint meter

(Tariff code: 105 & 132)

a) Basic per consumer	per month	R113.73 +VAT
b) Metered Consumption		
0 kl to 300 kl	per kl.	R10.80 +VAT
301 kl to 600 kl	per kl.	R15.12 +VAT
601 kl to 900 kl	per kl.	R19.44 +VAT
901 kl to 1200 kl	per kl.	R25.92 +VAT
1201 kl to 1500 kl	per kl.	R32.40 +VAT
1501 kl to 2000 kl	per kl.	R38.88 +VAT
> 2000 kl	per kl.	R51.84 +VAT

3.6 Consumers using more than 1000kl per month for at least four months over a period of 12 months (Tariff code: 104)

a) Basic Fee	per month	R5,914.41 +VAT
b) Metered Consumption		
0 kl to 2000 kl	per kl.	R10.80 +VAT
2001 kl to 3000 kl	per kl.	R15.12 +VAT
3001 kl to 4000 kl	per kl.	R19.44 +VAT
4001 kl to 5000 kl	per kl.	R25.92 +VAT
5001 kl to 6000 kl	per kl.	R32.40 +VAT
6001 kl to 8000 kl	per kl.	R38.88 +VAT
> 8000 kl	per kl.	R51.84 +VAT

TARIFFS 2011/2012 - ANNEXURE B

WATER CONSUMPTION TARIFFS WHEN THE DAM WATER SUPPLY IS BELOW 20% **(Refer Tariff 3.11)**

2012/13

3 WATER TARIFF CHARGES (Continues)

C. SPECIAL WATER TARIFFS

3.7 Other Special Water Tariffs

a) Raw Water : Basic plus 15 kl (Tariff code: 107)			R113.73 +VAT
	> 15 kl per kl.		R10.00 +VAT
b) Searles Slood (Tariff code: 109)	0 - 50 kl per kl.		R0.00 +VAT
	> 50 kl per kl.		R10.00 +VAT
c) Buffalo Farming - plus 15% surcharge (Tariff code: 110)	0 - 30 kl per kl.		R10.00 +VAT
	31 - 45 kl per kl.		R18.00 +VAT
	46 - 80 kl per kl.		R24.00 +VAT
	> 80 kl per kl.		R30.00 +VAT
d) Buysplaas (Tariff code: 115)	Basic Fee		R31.05 +VAT
	0 - 6 kl per kl.		R0.00 +VAT
	7 - 60 kl per kl.		R10.80 +VAT
	> 60 kl per kl.		R15.12 +VAT
e) JB Hoevers - plus 15% surcharge (Tariff code: 116)	0 - 9999 kl per kl.		R8.00 +VAT
f) Punt Hotel (Slegs vir tuine op publieke grond) (Tariff code: 117)	0 - 80 kl (no basic) per kl.		As per Agreement, including normal increases
	> 80 kl plus Basic Fee of		
	> 80 kl per kl.		

3.9 Other consumers (special arrangements)

Vleesbaai (According to approved contract) (Tariff code: 191)			
Basic Fee	per month		R1,094.89 +VAT
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above			
Retirement Village Hartenrus (68) (Tariff code: 174)			
Basic Fee (for 68 household units)	per month		R7,734.51 +VAT
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above			
Santos Haven I (100) (Tariff code: 111)			
Basic Fee (for 100 household units)	per month		R11,373.33 +VAT
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above			

TARIFFS 2011/2012 - ANNEXURE B

WATER CONSUMPTION TARIFFS WHEN THE DAM WATER SUPPLY IS BELOW 20% **(Refer Tariff 3.11)**

2012/13

3 WATER TARIFF CHARGES (Continues)

3.9 Other consumers (special arrangements) - CONTINUES

Santos Haven 2 (106) (Tariff code: 152)

Basic Fee (for 106 household units)	per month	R12,055.61 +VAT
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above		

Petrosa (Tariff code: 151)

Basic Fee	per month	R5,914.41 +VAT
Metered Consumption for more than 6000 kl consumed	per kl.	Same as Bulk Tariff
Metered Consumption-Same as in Bulk Consumers in 3.6(b) above		

Sporting Bodies (Tariff code: 114)

Metered Consumption	per kl.	R8.00 +VAT
---------------------	---------	-------------------

Departmental Use (Tariff code: 112)

per kl.	R5.40 +VAT
---------	-------------------

Supply of water in rural areas

(Certain conditions apply)	6 kl. Per month to registered users	R712.80 +VAT
----------------------------	-------------------------------------	---------------------

ANNEXURE B

2012/13 BUDGET RELATED POLICIES

Mossel Bay Municipality

BUDGET RELATED POLICIES

INDEX

1. Property Rates policy
2. Tariff policy
3. Customer care, Indigent, Credit control, Debt collection and Tampering policy
4. Cash Management and Investments policy
5. Asset Management policy
6. Funding and Reserve policy
7. Debt and Borrowing policy
8. Expenditure policy
9. Virement policy
10. Supply Chain Management policy

MOSSEL BAY MUNICIPALITY



PROPERTY RATES POLICY

DOCUMENT AND VERSION CONTROL

Version: Revision 8

Date: MAY 2012

Summary: This document describes the Rates Policy that will be applicable to the Mossel Bay Municipality, with effect from

1 July 2012

Signature: _____

Municipal Manager
(Accounting Officer)

Date : _____

Signature: _____

Executive Mayor

Date: _____

MOSSEL BAY MUNICIPALITY
RATES POLICY

1. BACKGROUND

This Policy is formulated in terms of section 3 of the Local Government Municipal Property Rates Act, Act 6 of 2004) which became operative on 2 July 2005. In 2007, Mossel Bay Municipality initiated a process to prepare a General Valuation Roll of all property situated within the geographical boundaries of the Municipality in terms of this Act,. A further General Valuation has been completed in 2011 and will be effective as from 1 July 2012.

2. LEGISLATIVE CONTEXT

2.1 In terms of section 229 of the Constitution, a municipality may impose rates on property.

2.2 In terms of section 4(1)(c) of the Municipal Systems Act, Act 32 of 2000, a municipality has the right to finance the affairs of the municipality by imposing, inter alia, rates on property.

2.3 In terms of section 2(1) of the Municipal Property Rates Act, a local municipality may levy a rate on property in its area in accordance with the other provisions of this Act.

2.4 This Policy must be read together with, and is subject to the provisions of the Municipal Property Rates Act and the Rates By-Law.

2.5 In terms of section 8(1) of the Municipal Property Rates Act, the Municipality is levying rates on the use of the property as determined on the valuation roll in terms of section 48 of this Act.

3. DEFINITIONS

In addition to the definitions contained in the Municipal Property Rates Act and the Rates By-Law, the following words and phrases bear the meanings assigned to them below:

“Accommodation Establishment” in relation to a property means the supply of overnight facilities to guests and tourists.

“Actual use” means actual activities that are taking place on the property

“Agricultural Property” Means a property used for bona fide agricultural purposes in which the property owner is deriving his principle source of income from the produce of the land on such property. Agricultural/farming property not used for bona fide agricultural/farming purposes shall be rated according to the actual use thereof.

“Agricultural use” means a farm or a smallholding used for the production of goods or products through farming or forestry activities.

“Category” in relation to:

- Property, means a category of properties determined in terms of Section 8 of the Act, and
- Owners of properties, means a category of owners determined in terms of Section 15(2) of the Act.

“Dominant use” means 60% or more of the use of a property (as determined by the valuer).

“CFO” means the Chief Financial Officer of the Municipality, being a person designated in terms of section 80(2)(a) of the MFMA, or his/her nominee.

“Gross monthly household income” means the gross monthly income from all sources, including but not limited to salaries, wages, dividends, pensions, grants, rentals, board and lodging, interest received, donations and any other form of financial support or investment income, received by every person residing on the property;.

“Homeless people’s shelters” means a *bona fide* non-profit organisation (NPO) which operates a shelter used primarily for the accommodation of homeless people and which has applied in writing for and been registered as such shelter by Council.

“MFMA” means the Local Government: Municipal Finance Management Act, 56 of 2003.

“MPRA” means the Local Government: Municipal Property Rates Act, 6 of 2004.

“MPRA Rate Ratio Regulations” means the Municipal Property Rates Regulations on the Rate Ratio between Residential and Non-Residential Properties promulgated in terms of the MPRA published under Government Notice R195, Government Gazette 32991, on 1 March 2010.

“Non-Residential Property” means all properties other than those defined as residential.

“Multiple Properties” means property that is utilised for more than one determined category and where differential rates will be made by setting different rates in the rand for each category.

“Municipality” means the Mossel Bay municipality.

“owner”-

- (a) the person in whose name the property is legally vested;
- (b) in the case where the person in whose name the property is vested, is insolvent or deceased, or is disqualified in terms of any legal action, the person who is responsible for administration or control of the property as curator, trustee, executor, administrator, legal manager, liquidator, usufructuary, servitude holder or any other legal representative;
- (c) in the case where the council are unable to establish the identity of such person, the person who are entitled to derive benefit from the property or any buildings thereon;
- (d) in the case of a lease agreement in excess of 30 years was entered into, then the lessee;
- (e) regarding:
 - (i) a portion of land allotted on a sectional title plan and which is registered in terms of the Sectional Title Act, 1986 (Act 95 of 1986), without limiting it to the developer or managing body to the communal property;
 - (ii) a portion as defined in the Sectional Title Act, the person in whose name that portion is registered in terms of a “sectional

title, including the legally appointed representative of such person;

- (f) any legal entity including but not limited to :
 - (i) a company registered in terms of the Companies Act, 1973 (Act 61 of 1973), a trust *inter vivos*, trust *mortis causa*, a closed corporation registered in terms of the Close Corporation Act, 1984 (Act 69 of 1984), and any voluntary organization;
 - (ii) any provincial or national government department, local authority;
 - (iii) any council or management body established in terms of any legal framework applicable to the Republic of South Africa; and
 - (iv) any embassy or other foreign entity.
- (g) In respect of a property owned by a council and which has been disposed of, but which has not been transferred to the person to whom it has been disposed of, from the date of the disposition concerned, such person; and
- (h) In respect of a property owned by or under the control or management of a council while held under a lease or any express or tacit extension thereof or under any other contract or under servitude or right analogous thereto, the person so holding the immovable property.

“Ratepayer” means a person or entity that is liable, in terms of the MPRA, for the payment of rates on property levied by the Municipality;

“Rates By-law” means the Municipality: Rates By-law promulgated in the Provincial Gazette No. 6917 of 14 October 2011 .

“Residential Property” means a property as defined in the MPRA and which includes the following:

- used predominantly (60% or more) for residential purposes.
- a unit registered in terms of the Sectional Titles Act, 95 of 1986, used predominantly (60% or more) for residential purposes, and includes any unit in the same sectional title scheme registered in the name of the same owner which is used together with the residential unit as if it were one property, for example a garage or domestic worker’s quarters. (Any such grouping shall be regarded as one residential property for rate rebate or valuation reduction purposes and for clearance application purposes); or

- owned by a share block company and used predominantly (60% or more) for residential purposes but will be considered as one Residential property as set out in 5.1 below; or
- a retirement scheme or life right scheme used predominantly (60% or more) for residential purposes; or
- an old age home used predominantly (60% or more) for residential purposes; or
- a block of flats used predominantly (60% or more) for residential purposes, but will be considered as one Residential property as set out in 5.1 below.

“Systems Act” means the Local Government: Municipal Systems Act, 32 of 2000.

“Valuation Roll” means a valuation roll made in terms of section 30 of the MPRA or a supplementary valuation roll made in terms of section 78 of the MPRA.

“Vacant Land” means a property without any buildings or structures that could be used for residential or other purposes.,

4. GUIDING PRINCIPLES

4.1 The Municipality’s Rates Policy is based on the following guiding principles:

- equity;
- affordability;
- poverty alleviation;
- social and economic development;
- financial sustainability; and
- cost efficiency.

4.2 Rates are levied in accordance with the MPRA as a cent-in-the-rand based on the property value contained in the Municipality’s General Valuation Roll of 2011 and Supplementary Valuation Rolls.

4.3 As allowed for in the MPRA, the Municipality has chosen to differentiate between various categories of property and owners of property. Some categories of property and categories of owners are granted relief from rates. However, the Municipality does not grant relief in respect of payments for rates to any category of owners or properties, or to owners of properties on an individual basis, other than by way of an exemption, rebate or reduction provided for in this Policy.

4.4 The following categories are applicable to the Municipality:

- Accommodation establishments
- Additional Household Units
- Businesses and Commercial Properties
- Central Business District
- Farms Properties used for
 - Agricultural purposes
 - accommodation purposes
 - for residential purposes
 - business and commercial purposes
 - Used for multipurpose
- Government
- Industrial
- National Monuments
- Place of Worship – Church
- Place of Worship - Parsonages
- Private Owned town (only applicable to Vleesbaai)
- Protected Area
- Public Benefit Organisations
- Public Open Space
- Residential

4.5 The rate charged as a cent-in-the-rand for Residential Properties as per the definitions (above) is the base rate and the rates charged in respect of all other categories of properties are reflected as ratios to the Industry/Commercial rate as set out below.

RATES TARIFF STRUCTURE

TARIFF TYPE		STRUCTURE
Industry/Commercial	BASE TARIFF	100%
Accommodation	Ratio to base tariff	70%
Agricultural used as business	Ratio to base tariff	70%
Public Service Infrastructure	Ratio to base tariff	70%
Residential	Ratio to base tariff	50%
Vleesbaai	Ratio to base tariff	15%
Agricultural	Ratio to base tariff	12.5%
Public Benefit Organisation	Ratio to base tariff	12.5%

5. APPLICATION OF THE POLICY

5.1 Residential Property

5.1.1. (a) The Municipality will not levy a rate on the first R15 000 of the market value as per the Valuation Roll on Residential Properties as set out in section 17(1)(h) of the MPRA.

(b) The Municipality will grant a rebate in terms of section 15(1)(b) of the MPRA on the balance of the market value up to R35 000 in respect of residential properties, as an important part of the Municipality's indigent relief measures aimed primarily at alleviating poverty amongst those persons owning low-value properties.

5.1.2 The maximum reduction of up to R50 000 will be granted to every individually valued Residential Property.

5.3 Public Service Infrastructure

Public Service Infrastructure (as defined in the MPRA) may not be rated on the first 30% of its market value in terms of section 17(1)(a) of the MPRA.

5.4 Agricultural Use

5.4.1 A farm is an area of land, including various structures thereon, devoted primarily to the practice of producing and managing food (produce, grains or livestock) or forestry products. The farming activity must be intense, must not be a mere hobby and must contribute to the local economy.

5.4.2 In terms of the MPRA, the definition of agricultural purpose excludes the use of a property for the purpose of eco-tourism or for the trading in or hunting of game.

5.4.3 If agricultural properties are not used solely for agricultural purposes and where the municipal valuator considers it reasonable to apply the category of multiple-use properties, the apportionment of value for each distinct use of the property will be calculated by the municipal valuator and used for billing at the applicable rate.

5.5 Multiple-Use Properties

Properties used for multiple purposes which do not fall within the definition of Residential Properties and, accordingly, do not qualify for the residential rate, may be included into the category of multiple-use properties, for which an apportionment of value for each distinct use of the property will be calculated by the municipal valuer and used for billing at the appropriate and applicable rate, in cases where the municipal valuer considers it reasonable to apply this category.

5.6 Municipal Properties

In terms of Section 7 of the MPRA the Municipality will not levy rates on-

- (i) properties of which the municipality is the owner;
- (ii) Public Service Infrastructure owned by a municipal entity;
- (iii) Leased Properties with a nominal value and/or portions of the commonage property where it is not practical to levy rates.

5.7 Senior Citizens

5.7.1 Registered owners of Residential Properties who are senior citizens qualify for special rebates according to gross monthly household income of all persons permanently residing on that property. To qualify for the rebate a property owner must be a natural person and the registered owner of a property which satisfies the requirements of the definition of Residential Property. This property owner must on 1 July of the financial year:

- occupy the property as his/her Primary Residence, and
- be at least 60 years of age, and

- be in receipt of a gross monthly household income not exceeding the amount determined by Council during the Municipality's budget process; and
- not be the owner of more than one property nationally or internationally.

5.7.2 The owner must submit the application by 1 July for this rebate to be granted for the financial year in which the application is submitted. (Application forms can be obtained from the Municipality).

5.7.3 Any owner who, during a financial year, for the first time, meet all the other criteria above may apply to receive the rebate from the date of receipt by the Municipality of the application for the remainder of that financial year, where after all the criteria set out above will apply to applications for rebates in subsequent financial years.

5.8 Religious Institutions

5.8.1 In terms of section 17(1)(i) of the MPRA, the Municipality may not levy a rate on property registered in the name of and used primarily as a place of public worship by a religious community, including an official residence registered in the name of that community which is occupied by an office bearer of that community who officiates at services at that place of worship.

5.8.2 In exceptional circumstances the CFO may accept that a property registered in a name other than that of the religious organisation be regarded as the property of a religious community if it can be proven that the registration is merely to facilitate transfer of the property into the name of the religious community.

5.9 Public Benefit Organisations (PBO) / Non-Profit Organisations (NPO)

5.9.1 The Municipality grants a 75% rates rebate for the categories of NPOs or public benefit organisations (PBOs) listed below. These categories of properties and/or owners of properties are deemed to contribute services or benefits to the community.

5.9.2 In order to be considered, the organisations must either be registered as NPOs under the Non-Profit Organisations Act, 71 of 1997, or be PBOs that qualify for tax exemption as contemplated by Part 1 of section 30 of the Ninth Schedule of the Income Tax Act. Such registration must be supplied upon request.

- 5.9.3 In exceptional circumstances the CFO may accept that a property registered in a name other than that of the organisation be regarded as the property of the organisation if it can be proven that the registration is merely to facilitate transfer of the property into the name of the organisation.

6. GENERAL

- 6.1 Persons who have submitted false information and/or false affidavits and/or failed to notify the CFO of any amended use of properties owned or used by them will have the exemptions, rebates or reductions withdrawn with effect from the date of the incident in question and interest raised as provided for in the Municipality's Credit Control and Debt Collection Policy and By-Law. The Municipality may also take further appropriate action against them.
- 6.2 All applications for exemptions, rebates or reductions will require the applicant's municipal accounts to have been paid up to date or the conclusion of a suitable arrangement with the Municipality as provided for in the Municipality's Credit Control and Debt Collection By-Law and Policy, which may include water and electricity saving measures. Should there be a default on the arrangements, all the rebates, exemptions or reductions granted may be reversed with effect from the date on which the default took place.
- 6.3. Any late applications or deviations from the ownership, registration or usage requirements of this Policy must be motivated in writing to the CFO and will be dealt with in the sole discretion of the CFO, taking account of any factors which he/she deems to be relevant, including, but not limited to considerations of fairness and equity.

7. REGULAR REVIEW PROCESSES

The Municipality's Rates Policy will be reviewed on an annual basis to ensure that it complies with the Municipality's strategic objectives and with legislation.

8. LIABILITY FOR AND PAYMENT OF RATES

Liability for and payment of rates is further governed by the MPRA and the Municipality's Credit Control and Debt Collection By-Law and Policy.

9. DUE DATES

The due date for payment of rates in terms of sections 26(2)(a) and (b) and 78(4) of the MPRA means the date reflected on a municipal invoice as the final date on which payment is due and payable.

10. CLEARANCE CERTIFICATES

All monies collected by the Municipality including in respect of Special Rating Areas (including City Improvement Districts) and any estimated amounts for the duration of the validation period of a certificate in terms of section 118(1a) of the Systems Act or section 89 of the Insolvency Act, 24 of 1936, are for the purpose of section 118 of the Systems Act, deemed to be due and must be paid in order to facilitate the transfer of immovable property:

- 10.1 all amounts that are due must be paid in full prior to the issuing of any clearance certificate in terms of section 118, of the Systems Act;
- 10.2 no interest shall be paid by the Municipality to the registered seller in respect of these payments which are deemed to be due; and
- 10.3 all payments will be allocated to the registered seller's municipal accounts and all refunds will be made to such seller.

11. EFFECTS OF OBJECTIONS AND APPEALS ON LIABILITY FOR PAYMENT

In terms of the MPRA:

- 11.1 the lodging of an objection or an appeal in terms of sections 50 and 54 of the MPRA does not defer liability for the payment of rates beyond the dates determined for payment in terms of this Policy;
- 11.2 the review of the municipal valuer's decision in terms of section 52 of the MPRA does not defer liability for the payment of rates beyond the dates determined for payment in terms of this Policy.

12. INDIGENCY

In terms of section 3(3)(f) and section 15 of the MPRA all indigents, for rating purposes, will qualify in respect of their Residential Properties for the benefits as set out in paragraph 5.1 of this Policy.

13. INTEREST

Interest shall be raised on overdue accounts as determined in the Credit Control and Debt Collection By-Law and Policy.

14. ADJUSTMENT OF RATES PRIOR TO SUPPLEMENTARY VALUATION (SV)

14.1 In circumstances where a valuation has been carried out by the municipal valuator in pursuance of a SV in terms of section 78(1)(d) or 78(1)(f) of the MPRA as a result, for example, of a demolition having taken place on a property or a fire having destroyed buildings on a property, but the Municipality has not yet included such valuation of the relevant property in a SV, such valuation shall be submitted to the CFO for approval to levy rates on the property in accordance with such valuation, with effect from the date of the occurrence of the event which caused a SV to be required.

14.2 If the owner of a property which has been subdivided or consolidated after the last general valuation wishes to sell the consolidated erf, or one or more of the erven which have been subdivided off the parent erf, as the case may be, applies to the Municipality for a clearance certificate in terms of section 118 of the Systems Act and if the Municipality has not yet included such valuation of the relevant property(ies) in a SV:

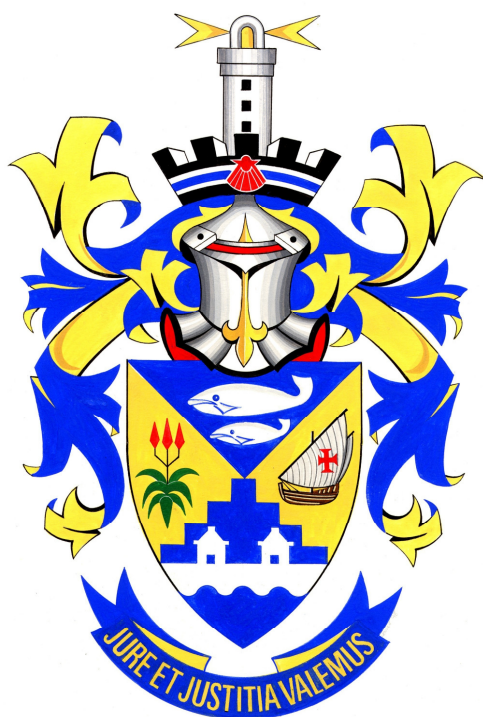
14.2.1 the municipal valuator shall conduct a valuation of the relevant property(ies) for purposes of a Supplementary Valuation; and

14.2.2 the valuation shall be submitted to the CFO for approval of the levying of rates on such property(ies) in accordance with such valuation, with effect from the date on which the relevant subdivision or consolidation (as the case may be) was registered in the Deeds Office.

14.3 Any valuations performed in terms of paragraph 15 shall be included in the next SV prepared by the Municipality without any amendments to the valuation and any objections to such valuation may only be lodged once such SV is made public in terms of section 49 of the MPRA.

15. Corrections on Rates can only be done via Supplementary valuations and according to section 78 of the MPRA.

MOSSEL BAY MUNICIPALITY



TARIFF POLICY

DOCUMENT AND VERSION CONTROL

Version: Revision 8

Date: MAY 2012

Summary: This document describes the Tariff Policy that will be applicable to the Mossel Bay Municipality, with effect from

1 July 2012

Signature: _____

Municipal Manager
(Accounting Officer)

Date : _____

Signature: _____

Executive Mayor

Date: _____

INDEX

1. INTRODUCTION
2. DEFINITIONS
3. GENERAL PRINCIPLES
4. NEED FOR A TARIFF POLICY
5. SOURCES OF REVENUE
6. PRICING STRATEGY
7. CATEGORIES OF TARIFF CHARGES
8. LEGISLATION
9. CLASSIFICATION OF SERVICES
10. POLICY PROPOSAL
11. TARIFFS FOR TRADING ECONOMICAL AND OTHER SERVICES
12. ELECTRICITY TARIFFS
13. WATER TARIFFS
14. REFUSE REMOVAL TARIFF STRUCTURES
15. SEWAGE TARRIFF
16. SUNDRY SERVICE TARIFF STRUCTURES
17. CONCLUSION

MOSSEL BAY MUNICIPALITY

TARIFF POLICY

Introduction

1. In terms of section 74 of the Local Government : Municipal Systems Act, 2000, the Mossel Bay Council must adopt and implement a Tariff Policy that complies with the provisions of any applicable legislation on the levying of fees for municipal services provided by or on its behalf. The Tariff Policy may differentiate between different categories of users, debtors, service providers, service standards, geographical areas and other matters as long as the differentiation does not amount to unfair discrimination. Section 75 of the Systems Act requires that the Council adopt by-laws to give effect to the implementation and enforcement of its Tariff Policy.

Definitions

2. In this Policy, unless inconsistent with the context-

“Accounting Officer” means the municipal manager appointed in terms of section 82 of the Local Government: Municipal Structures Act, 1998 (Act 177 of 1998) and being the head of administration and accounting officer in terms of section 60 of the Local Government: Municipal Systems Act 2000 (Act No. 32 of 2000);

“Accommodation Establishments” in relation to a property means the supply of overnight facilities to guests and tourists.

“Additional residential units” additional units erected on an erf zoned as single or general residential, it can form part of the main structure or be separated. The size of the additional units must vary between 30 and 120 square meters and does not have to have separate service connections. Loose standing units may only have a ground level structure. Each unit must have direct access from ground level.

“Availability charges” An availability charge for electricity, water and sewerage as determined from time to time by the Council shall be levied on all properties with or without improvements, whether or not the property is connected to the electricity reticulation / water network / sewerage network systems of the Council. Such fee shall be levied only if:

1. a monthly Basic fee is not levied,
2. the property is adjacent to such a service, and
3. in the opinion of the Council, the services can reasonably be connected.

“customer/user” means any person to whom a service is rendered or made available by the council

“households” all matured persons older than 18 years that occupied a property within the jurisdiction of the Council regardless whether the person rents or owns the property;

“indigent household” a Household qualify as indigent on the following conditions:

- (i) Total monthly household income must not be more than twice (2x) the monthly State old age pension and
- (ii) The average electricity consumption for the past four months must not exceed 400kwh per month and
- (iii) The average water consumption for the past four months must not exceed 15kl water per month.

“interest” a charge levied, with the same legal priority as service charges, on arrear amounts calculated at an interest rate which is one percent higher than the prime interest rate.

“municipal area” means the area in respect of which the municipality has executive and legislative authority as determined by the Constitution and national legislation and the area as demarcated by the Demarcation Act 1998 (Act 27 of 1998);

“municipal council” means the council of Mossel Bay Municipality;

“municipality” means:

- (a) an organ of state within the local sphere of government exercising legislative and executive authority in an area determined under the Local Government: Municipal Demarcation Act 1998 (Act 27 of 1998);
- (b) a municipality consists of:
 - (i) the political structures and administration of the municipality; and
 - (ii) the community of the municipality;
- (c) functions in the area in keeping with the political, statutory and other relationships between its political structures, political office bearers and administration and its community; and

- (d) as a separately legal personality that excludes liability on the part of its community for the actions of the municipality.

“occupier” means the person who controls and resides on, or who controls and otherwise uses immovable property or a portion thereof; provided that-

- (a) the husband or wife of the owner of immovable property which is at any time used by such owner and husband or wife as a dwelling, shall be deemed to be the occupier thereof;
- (b) where husband and wife both reside on immovable property and one of them is an occupier thereof, the other shall also be deemed to be an occupier thereof, and
- (c) a person who-
 - (i) resides in or occupies a room or rooms in a boarding house, lodging house, home for elderly people (other than a person, and the husband or wife of such person, who, by paying a capital amount, has acquired and exercises a lifelong right to so reside in or occupy a room or rooms in a home for elderly people), hostel, hotel, motel, hotel, club mess, barracks, nurses home or other place of a like nature;
 - (ii) resides in or occupies a separate room or rooms on immovable property occupied by any relative of such person;
 - (iii) as a boarder or lodger, resides in or occupies a room or rooms on immovable property owned or occupied by any other person, or
 - (iv) occupies an area of land or building or portion of a building solely for the purpose of parking, leaving or storing any vehicle or craft thereon or therein;

shall be deemed not to be an occupier of the immovable property concerned.

“owner” means

- (a) the person in whom the legal title to the premises is vested;
- (b) in a case where the person in whom the legal title is vested is insolvent or dead, or is under any form of legal disability whatsoever, the person in whom the administration of and control of such premises is vested as curator or other legal representative;

- (c) in any case where the Municipality is unable to determine the identity of such person, a person who is entitled to the benefit of such premises or a building thereof;
- (d) leased for a period of not less than 30 (thirty) years, whether the lease is registered or not, the lessee thereof;
- (e) in relation to –
 - (i) a piece of land delineated on a sectional plan registered in terms of the Sectional titles Act 1986, (Act 95 of 1986), and without restricting the above provisions, the developer or the body corporate in respect of the common property, or
 - (ii) a section as defined in such Act, the person in whose name such section is registered under a sectional title deed, including the lawfully appointed representative of such person;
- (f) any legal person including but not limited to:
 - (i) a company registered in terms of the Companies Act, 1973 (Act 61 of 1973) Trust *inter vivos*, Trust *mortis causa*, a closed Corporations Act, 1984 (Act 69 of 1984), and a Voluntary Association;
 - (ii) any government department;
 - (iii) any council or board established in terms of any legislation applicable to the Republic of South Africa;
 - (iv) any embassy or other foreign entity
- (g) owned by a council and which has been disposed of, but which has not been transferred to the person it has been disposed of, from the date of the disposition concerned, such person; and
- (h) owned by or under the control or management of a council while held under a lease of any express or tacit extension thereof or under any other contract or under a servitude or right analogous thereto, the person so holding the immovable

“poor households” A household qualify as a poor household on the following conditions:

- i. Total monthly household income must be more than twice (2x) the monthly State old age pension, but less than an amount determined by Council and

- ii. The average electricity consumption for the past four months must not exceed 400kwh per month and
- iii. The average water consumption for the past four months must not exceed 15kl water per month.

“Public Benefit Organisation” Properties owned by public benefit organisations and used for any specific public benefit activities listed in Part 1 of the Ninth Schedule to the Income Tax Act.

“Tariff Policy” means a Tariff Policy on the levying of fees, rates or taxes for municipal services provided by the municipality itself and that complies with the Municipal Systems Act 2000 (Act 32 of 2000);

“the Act” means the Municipal Systems Act, 2000 (Act 32 of 2000).

General Principles

Objective

- 3 (1) The objective of this Tariff Policy is to ensure the following:
- (i) Tariffs must conform to acceptable policy principles;
 - (ii) Municipal services must be sustainable;
 - (iii) Tariffs must comply with the applicable legislation; and
 - (iv) Tariffs should take poor people and limited consumption into consideration

Responsibility / accountability

- (2) The Mossel Bay Council has the overall responsibility of laying down the Tariff Policy.

Tariff Policy principles

- (3) In terms of section 74(2) of the Systems Act 2000, the Municipality's Tariff Policy reflects the following principles:
- (i) Users of municipal services are treated equitably in the application of tariffs;

- (ii) The amount individual users pay for services are generally in proportion to their use of that service;
- (iii) Poor households have access to at least basic services through:
 - Special or life line tariffs for low levels of use or consumption of services or for basic levels of service; or
 - Any other direct or indirect method of subsidisation of tariffs for poor households.
 - Tariffs reflect the costs reasonably associated with rendering the service, including capital, operating, maintenance, administration, replacement costs and interest charges;
- (iv) Tariffs are set at levels that facilitate the financial sustainability of the service, taking into account subsidisation from sources other than the service concerned. A service is financially sustainable when it is provided in a manner that would ensure its financing from internal and external sources is sufficient to cover the costs of the initial capital expenditure required, operating the service, maintaining, repairing and replacing the physical assets used in its provision;
- (v) Provision is made in appropriate circumstances for a surcharge or a rebate on the tariff for a service;
- (vi) Provision is made for the promotion of local economic development through special tariffs for categories of commercial and industrial users;
- (vii) The economical, efficient and effective use of resources, the recycling of waste and other appropriate environmental objectives are encouraged; and
- (viii) The extent of subsidisation of tariffs for poor households and other categories of users are fully disclosed.
- (ix) It can be further stated that tariffs, rates and the employment of resources, in general, take into account the Council's IDP principles and goals.

Need for a Tariff Policy

Revenue adequacy and certainty

4. (1) The Municipality must have access to adequate sources of revenue to enable it to carry out its functions. The Municipality must:
 - (i) Fully exploit the available sources of revenue to meet its development objectives; and
 - (ii) Be reasonably certain of its revenue to allow for realistic planning.

Sustainability

- (2) Financial sustainability requires a budget that balances. This means that the Municipality must ensure that:
 - (i) Services are provided at affordable levels; and
 - (ii) It is able to recover the costs of service delivery.

It must be realised that no bailout will be provided if the budget is exceeded or if proper financial management controls are not established. Indigent members of the community have the right to have access to at least a minimum level of basic services. Therefore, there is a need to subsidise poor households, who are unable to pay for full service costs.

Effective and efficient resource use

- (3) Resources are scarce and must be used in the best possible way to reap the maximum benefit for the community. However, there are no mechanisms available to ensure the effective allocation of resources. It is therefore important that the community provide the necessary checks and balances. They can do this by participating in the budget process. Efficiencies in spending and resource allocation will ultimately increase the access of the poor to basic services.

Accountability, transparency and good governance

- (4) The Municipality must be accountable to the community for the use of its resources. Councillors must be able to:
 - (i) Justify their expenditure decisions; and
 - (ii) Explain why and how, the revenue necessary to sustain expenditure is raised.

Budgeting and the financial affairs must be open to public scrutiny. The community must have greater voice making decisions about how revenue is raised and spent. Community participation in budgeting must include those groups in the community who face particular constraints in participating. It must also include a capacity-building component to ensure that people understand the prioritisation process (why resources are allocated to one area rather than another).

Equity and redistribution

- (5) Members of the community must be treated equitably with regard to the provision of services.

Development and investment

- (6) Meeting basic needs in the context of existing services backlogs will require increased investment in municipal infrastructure.

Sources of Revenue

- 5.
 - (1) In terms of section 229 of the Constitution of the Republic of South Africa 1996, Act 108 of 1996, the Municipality may impose:
 - (i) Rates on property and surcharges on fees for services provided by or on behalf of the Municipality; and
 - (ii) If authorised by national legislation, other taxes, levies and duties appropriate to local government, but it may not impose income tax, value-added tax, general sales tax or customs duty.
 - (2) The power of the Municipality to impose rates on property, surcharges on fees for services provided by or on behalf of the Municipality, or other taxes, levies or duties:
 - (i) May not be exercised in a way that materially and unreasonably prejudices national economic policies, economic activities across municipal boundaries, or the national mobility of goods, services, capital or labour; and
 - (ii) May be regulated by national legislation.
 - (3) In terms of section 4(1)(a) of the Systems Act, the Council has the right, amongst other things, to finance the affairs of the Municipality by:
 - (i) Charging fees for services; and

- (ii) Imposing surcharges on fees, rates on property and to the extent authorised by national legislation, other taxes, levies and duties.

Section 16 of the Systems Act requires the Municipality to establish appropriate mechanisms, procedures and processes to ensure community participation in, amongst other things, the preparation of its budget.

Pricing Strategy

- 6. (1) The strategy must be to recover the full financial cost of rendering the services required by and delivered to the community from the community, including the cost of capital. The points of departure pertaining to a pricing strategy are:
 - (i) The starting point to recover cost is the determination of service levels. These shall be based on basic human needs;
 - (ii) The second point will be to ensure a sustainable service delivery based on the set service level; and
 - (iii) The third point will be the upgrading of services to higher levels in accordance with the level of affordability by the community and the ability to render the upgraded services in a sustainable manner.
- (2) The following must be considered in the pricing strategy in order to accurately determine and recover the cost pertaining to a service:
 - (a) ***Management cost***

Resource management expenditure is those activities that are required to deliver, regulate, manage and maintain the service.
 - (b) ***Capital costs***

Capital cost expenditure is the obligation to meet the repayments on loans negotiated to finance the provision of the service.
 - (c) ***Maintenance costs***

These are normal running costs to maintain the service at the established level of service provision.
 - (d) ***Consumption / Usage***

In the case of a measurable service, the actual cost of usage of the service is easily determined. Where measurable services are provided (usually to informal areas) without measuring devices

being installed, the cost will be calculated by using the appropriate charge multiplied by the bulk registered consumption or estimated volume of consumption divided by the number of households / properties.

(e) ***Cost of immeasurable services***

These services are normally community based and subsidised services and the cost will be recoverable through a rating policy as determined from time to time. Recovery of costs will therefore be equalised over the total area of jurisdiction and the principle of collective payment will apply.

Categories of Tariff Charges

Services charges

7. (1) An important source of local own revenue is charges that are directly related to the provision of municipal services. The majority of these are utility charges, such as electricity and water, which have contributed significantly to the growth of revenue of municipalities. Cost recovery is an essential part of sustainable service delivery. The system of revenue sharing within a service is aimed at subsidising the operating costs of basic services to indigent and low-income households.

Collection of levies

- (2) The municipality may in future be required to impose and collect levies for other authorities, such as a District Municipality, or community based organisations. Such levies are imposed as the result of provisions contained in acts or bylaws and individual service delivery agreements. The municipality acts as an agent for such an organisation and may recover its cost by means of commissions or administration fees.

Legislation

8. (1) Section 160 of the Constitution determines that the Municipality may not delegate the power to impose taxes, tariffs and other charges. Such tariffs must be approved by means of a decision of the majority of the Councillors in a Council, after taking all the required factors into consideration.

Water & Sanitation

- (2) In respect of the provision of water and sanitation services, the Water Services Act of 1997 determines that a Municipality or another water

services provider must supply water and sanitation services in terms of conditions set by the Municipality. The condition that must be set, amongst other things, is to provide for the determination and structure of tariffs. These powers must be read with section 21 of the Act in terms of which the Municipality must pass bylaws that provide, amongst other things, for the determination and structure of tariffs and the payment and collection of money due for water and sanitation.

Electricity

- (3) In terms of section 9 of the Electricity Act 1987 the holder of an electricity license may not charge any consumer with other tariffs than those specified in the schedule of approved tariffs in its license. Further, a Municipality that holds an electricity license is obliged to supply electricity within the area of supply mentioned in its license, to every applicant who is in a position to make satisfactory arrangements for payment thereof.

Other Services

- (4) In terms of section 74 of the Systems Act, the Council must adopt and implement a Tariff Policy that complies with the provisions of any applicable legislation on the levying for municipal services provided by or on its behalf. The Tariff Policy may differ between different categories of users, debtors, service providers, service standards geographical areas and other matters as long as the differentiation does not promote discrimination. Section 75 of the Systems Act requires that the Council adopt a bylaw effecting to the implementation and enforcement of its Tariff Policy. Such bylaws may differentiate between categories of users, debtors, service providers, services, service standards and geographical areas as long as such differentiation does not amount in discrimination.

Classification of Services

- 9. (1) Traditionally, municipal services have been classified into five groups:

Trading services

- (a) Water and electricity provisions are trading services. Typically the consumption of a trading service is measurable and can be apportioned to an individual consumer. These services are managed like businesses. The tariffs for these services are determined in such a way that a nett trading surplus is realised. The trading surplus is used to subsidise the tariffs of non-trading services, in other words, to relieve property rates.

Economical services

- (b) Sewerage and refuse removal are economic services. Whilst they are also managed like businesses, the tariffs for services are determined in such a way that user charges cover the cost of providing the service. It is, however, common practice to set tariffs at a profit margin if possible subsidise tariffs on non-trading services.

Subsidised services

- (c) Subsidised services include fire fighting, approving building plans and the construction of buildings, leasing of municipal facilities, selling of burial sites and certain town planning functions. The consumption of subsidised services can be determined reasonably accurately and apportioned to individuals and consumers. However, if the tariffs for using this service were based on its real cost, nobody would be able to afford it. In most cases not only would the consumer benefit from using the service, but also other people. A user charge is payable for using the service, but the tariff is much lower than the real cost of providing the service.

Community services

- (d) Community services are those services where the consumption cannot be determined nor apportioned to individual consumers. These services are typically financed through rates. Examples are the establishment, operation and maintenance of parks and recreation facilities, provision and maintenance of roads and storm water drainage systems, the establishment management and maintenance of cemeteries and traffic regulation.

Support services

- (e) The Municipality also provides services in support of the above-mentioned services. These are staff functions and include secretarial and committee services, records and archives, financial-, technical- and corporate management, accounting and stores, Information Technology, occupational health and safety and human resources management. These services are financed through property rates.

Policy Proposal

A minimum amount of basic services must be subsidised to the poor.

10. (1) (a) The Municipality subscribes to a policy that entitles poor households which includes indigent consumers to a minimum amount of subsidised basic services. A basic service is a service that is necessary to ensure an acceptable and reasonable quality of life and, if not provided, would endanger public health or safety of the environment. This goal is achieved by providing a minimum amount of subsidised basic services to such consumers through its policy on indigence.

The specific services are:

- (i) Potable water;
 - (ii) Domestic sewage removal;
 - (iii) Domestic refuse removal; and
 - (iv) Electricity
- (b) The determination of minimum levels of these services is influenced by national guidelines as well as local social and economical conditions.
- (c) The subsidies are financed from the Equitable Share allocations by National Treasury in terms of which the Division of Revenue Act must be determined in such a way that the sustainability of the special fund, created for this purpose, be guaranteed. Council will strive to minimise the burden of shortfalls in subsidies in poor households. Any shortfalls can be subsidised by Rates and Service charges.

Keeping tariffs affordable

- (2) The Council is keenly aware of the financial situation of most residents within the municipal area. Therefore, the Council undertakes to keep tariffs at affordable levels as far as possible. In order to ensure that tariffs remain affordable, the Council will ensure that:
- (i) Services are delivered at an appropriate level;
 - (ii) Efficiency improvements are actively pursued across all its operations;
 - (iii) A performance management system is introduced to ensure that plans that are devised are actually implemented, that resources are obtained as economically as possible, used

efficiently and effectively and the appropriate service delivery mechanisms are used;

- (iv) Any service that is provided for which there is little demand, that is priced under the actual cost of providing it, and which requires the maintenance of significant infrastructure and other facilities, will be phased out, except where the Council is by law required to provide such a service.

Fully exploiting sources of revenue

- (3) (a) Property rates are an important source of discretionary revenue for the Municipality. It is used to finance services that cannot be apportioned to individual consumers and to balance the budget after service charges have been determined. It is therefore imperative that property rates must be imposed on, and is payable in respect of, all rateable properties within the municipal area. All rateable properties will be subject to and liable for paying rates.
- (b) Consequently it is the policy of the Council:
 - (i) That tariffs for service and property rates will be reviewed annually;
 - (ii) That tariff increases must be in line with increases in the price of goods, material and other resources acquired and used by the Municipality to perform its function, as well as any specific costs relating to the supply of a service during a financial year; and
 - (iii) The tariff for a particular service must be calculated in such a way that all relevant costs are covered. This means that a tariff for a service must include at least the capital expenditure required and interest thereon, the cost of managing and operating the service and the cost of maintaining, repairing and replacing the physical assets used in its provision – this is only applicable for Economic and Trading Services.

Introducing the "Consumer Must Pay Principle"

- (4) Having regard for the above-mentioned policy on a minimum amount of subsidised basic services for the indigent, the Council believes that consumers of services must pay for the amount of services that they use. Where it is possible to measure the consumption of services, the Council

will develop a program to install meters in appropriate cases. Also it is the Council's policy that the tariffs for such services must include all relevant cost factors.

Redistribution / Cross-subsidisation

- (5) Those that pay higher property rates based on the value of their properties, in fact subsidise those who pay less tax. The Council will ensure that the cross-subsidisation occurs between and within services to further contribute to its redistribution objectives.

Promoting local economic competitiveness and development

- (6) The size of the property rates and service charges accounts presented to local business is a significant business overhead for any business enterprise in the municipal area. The overhead of a business is one of the factors that influence the price of goods and services sold by it, and therefore its profitability and chances of survival. The Council will take care that the municipal account presented to local business is fair. To ensure fairness toward local business the Council will, when it determines tariffs, take into account the desire:
 - (i) To promote local economic competitiveness; and
 - (ii) To promote local economic development and growth.

Ensuring financial sustainability of service delivery

- (7)
 - (a) The Constitution, Systems Act and Water Services Act require that the Municipality must ensure that the services that it provides must be sustainable. Financial sustainability of an enterprise will be achieved when it is financed in a manner that ensures that its financing is sufficient. The tariff for a service must therefore be sufficient to cover the cost of the initial capital expenditure required and interest thereon, managing and operating the service and maintaining, repairing and replacing the physical assets used in its provision. However, sustainability does not only mean that the price of the service must include all the relevant cost elements, it also means that the charges to be levied must be collected.
 - (b) The Council therefore adopted and applies a Credit Control policy to ensure that property rates and service charges are recovered. Where a trading and economic service is available to a property, an availability levy is imposed if the occupier of the property does not use the service concerned or if the property is vacant. The availability levy must be adequate to cover the pro rata cost of the

initial capital expenditure and the maintenance of the infrastructure associated with service delivery.

Tariff determination process

- (8) (a) Except in special circumstances, such as significant increases in the wholesale price of goods and services that the Council purchases during a year to provide services, the Council will review its tariffs during the preparation of the annual budget in accordance with the policy stated above. Proposed tariffs will be presented to the community during the Council's consultations on the budget.
- (b) Immediately after the Council has determined or amended a tariff, the Accounting Officer must cause a notice in this regard to be displayed at a place installed for this purpose at all the offices of the Municipality as well as at such other places within the municipal area as she/he may determine. The notice must state:
 - (i) The general purpose of the resolution;
 - (ii) The date on which the notice is displayed;
 - (iii) That any person who desires to object to such determination or amendment must do so in writing within 14 days after the date on which the notice was displayed; and
 - (iv) That any person who cannot write may come, during office hours, to a place where a staff member of the Municipality named in the notice, will assist that person to transcribe her/his objection.
- (c) If no objection is lodged within the period stated in the notice, the determination or amendment will come into operation on the date determined by the Council. Where an objection is lodged, every objection must be considered. The Council may, after it has considered all objections, confirm, amend, or withdraw the determination or amendment and may determine another tariff and the date on which the determination or amendment will come into operation.
- (d) After the Council has determined another tariff, it will again give notice of the determination, amendment or date as determined above and will also publish it as prescribed.

- (e) All tariff adjustments shall be effective from the first account levied in July of each year.

Limiting of the financial risk of service delivery

- (9) (a) Due to the fact that accounts for most services are payable between three and six weeks after the services were rendered, it is necessary to hold guarantees, in the form of deposits, for such consumers:
 - (i) to cover the cost of services not yet billed; and
 - (ii) as a guarantee against non-payment of accounts, as stipulated in the policy on credit control.
- (b) As a part of the assessment of risks involved in the supply of services to consumers, the Council must decide whether the risks are sufficiently covered or whether deposits should be held in respect of a service by a consumer as well as the amount of such a deposit.
- (c) The risk of the provision of a service to each consumer must be assessed and a deposit should be calculated, taking into account, the consumption patterns of a specific consumer or property. Although this effectively reduces risk, the administration of such individual assessments in a high customer turnover environment may not be a practical and economically viable option. It must be further noted that, although the risk of service delivery is minimised if deposits are held, it soon becomes insufficient as the cost of service delivery increases and the deposit remains at the same level. It is very unpopular to increase deposits regularly and deposits of current consumers are only adjusted on default.
- (d) As an alternative deposits may be standardised for different services, consumers or locations. Although this method simplifies the administration of deposits, it does not cater for individual needs and may not necessarily provide sufficient coverage of the risks involved.

In practice it is found that a combination of the two methods provides a suitable solution to the problem.

- Standardised deposits are applied in respect of services for which the risks can be calculated, especially if such risks are not influenced by personal consumption variances.

- Minimum levels of deposit are calculated in respect of the average exposure per group of consumers within a service, i.e. domestic. Should it be necessary to adjust such a deposit to a higher level due to higher consumption patterns or other risks, it is done at the discretion of the official, following clear guidelines in this respect.
- Adjustment of deposits resulting from non-payment of account is described in the policy on credit control.

Due to the tendency of liquidators to immediately seize any bank guarantees issued by insolvent estates or business entities, the Council decided not to accept bank guarantees as a guarantee for service delivery.

- (e) When a tenant defaults on payment of a deposit or for services, the owner stays liable.
- (f) Where changes are made on existing installations or services the deposit must be adjusted to the required deposit at the time of change
- (g) No deposit will be refunded except where the account has been finalised and the final debits were raised

Limiting of financial risk pertaining to new tariff options

- (10) (a) In the course of the budgetary process tariffs are calculated at levels that will produce the income required to cover costs for a financial year or to reach the required surplus. Any changes in tariff structures and the level of tariffs during the course of a financial year, will impact on income. The amendment of tariff structures during a financial year should therefore take into account the effect thereof on the budget.
- (b) In order to regulate such amendments and to prevent a drastic impact on the budget, the following rules must be applied:
 - (i) The Council must consider and approve/not approve all requests for amendments.
 - (ii) Request for amendments must be accompanied by detailed calculations and estimates of the impact thereof on the budget. Such calculations should furthermore take into account all the relevant factors and be backed by data and projections over reasonable period. Such impacts must be

verified by the department of the Manager: Financial Services

- (iii) The Council may approve only amendments that can be accommodated in such a way that it will not have a detrimental effect on the operating budget.
- (iv) Any amendment to tariff structures, in respect of trading and economic services, that may impose a drastic impact on the present budget may only be considered for the next financial year and should form part of a new budgetary process.

Zoning and Usage for Rates and Tariff Purposes

- (11) Where the zoning and consent use on a property differs, the tariff as determined by the category on the valuation roll will apply

e.g.

- if any property is used as a business, the business tariff will apply
- if an agricultural property is used or partly used for business the property or portion will be levied on the applicable tariff as accepted by Council.

The following rates tariff structure will apply as from the 2012/2013 financial year.

TARIFF TYPE		STRUCTURE
Industry/Commercial	BASE TARIFF	100%
Accommodation	Ratio to base tariff	70%
Agricultural used as business	Ratio to base tariff	70%
Public Service Infrastructure	Ratio to base tariff	70%
Residential	Ratio to base tariff	50%
Vleesbaai	Ratio to base tariff	15%
Agricultural	Ratio to base tariff	12.5%
Public benefit Organisation	Ratio to base tariff	12.5%

Responsibility for payment of accounts

- (12) (a) The owner will be liable for payment of rates and sewerage fees. The occupier will be liable for the water, electricity and refuse removal services in all circumstances.

- (b) If an occupier did not pay a deposit, The owner stays responsible for all debits raised against the account, therefore If a occupier/ does not pay the account, the owner stays responsible for the account.
- (c) Any disputes between owners or an owner and tenant must be resolved by them, employees of the Municipality may not get involved.

Tariffs for trading economical and other services

- (13) (a) Electricity and water supply are treated as trading services, operated as separate accounts with the aim of producing a profit to be utilised as a subsidy for other services.
- (b) The supply of and tariff structures for these services are influenced by local conditions as well as national guidelines and prescriptions by the National Electricity Regulator (NER) and the Water Services Act.
- (c) Sewerage and refuse removal are treated as economical services. Tariffs structures are only influenced by local conditions, but the cost of these services are influenced by regional and national regulations as well as minimum standards that must be conformed to.
- (d) Cost related to the provision of services can be grouped into two basic elements, i.e.
 - (i) Fixed costs can be regarded as basic cost and is used as a basis to calculate availability fees in respect of such a service, if applicable. These cost elements are not directly influenced by variances in demand for a service.
 - (ii) Variable production costs, which consists of the direct production cost elements. Increases or decreases in production costs can directly be attributed to variances in demand for a service. These costs are treated as consumption costs of such services.

Electricity Tariffs

- (14) (a) In addition to general cost factors, the following will be considered in the determination of a tariff structure for electricity:

- (i) Bulk electricity is supplied by a sole supplier, Eskom, and distributed by the Municipality via an electricity reticulation system consisting of substations, mini substations, underground and overhead distribution lines and metered connections to consumers.
 - (ii) Minimum standards for distribution are determined nationally and must be adhered to in order to conform to both safety and continuity of supply norms.
 - (iii) Due to the fact that a large part of the operating expenditure consists of bulk electricity purchases, tariff structures and levels are very sensitive to any change in the cost of supply by Eskom.
- (b) Electricity is supplied under a distribution license, granted by the National Electricity Regulator (NER) for a specific area of jurisdiction, which also regulates the following aspects:
- (i) classification of consumer categories
 - (ii) permissible tariff structure options are determined at a national level and distributors are obliged to apply these structures to obtain uniformity.
 - (iii) All tariff structures and tariffs must be approved by the NER prior to application thereof by a distributor
- (c) The following tariff structure options are available:
- (i) one-part tariff

This tariff consists of a tariff expressed as a cent per kWh charge only and does not contain a fixed monthly charge (basic or minimum charge)
 - (ii) two-part tariff

This tariff is also applicable to residential application and contains a fixed or basic fee, combined with an energy fee.
 - (iii) Two-part demand tariff

a demand meter is installed to determine the demand factor. It is applicable for larger commercial, industrial and agricultural customers.

(iv) three-part tariff

a demand meter is installed to determine the demand factor
It is applicable for larger commercial, industrial and agricultural customers.

(v) three-part time-of-use tariff (TOU tariff)

This tariff is applicable for larger commercial, industrial and agricultural customers who are able to shift load into off-peak periods, thus effecting savings both to themselves and the distributor.

(d) The three-part TOU tariff structure closely resembles the tariff structure utilised by Eskom to supply bulk electricity to the Municipality and is therefore the most cost reflective structure. Due to the capital outlay required it can, however, only be utilised in the case of large power users. To gain maximum benefits from this relatively complex tariff structure the end-user must have a certain level of expertise and it requires a substantial capital investment.

(e) Any block tariff structure is sensitive to consumption over a specified period. It is therefore essential that meters be read regularly at intervals as near as possible to 30 days as longer or shorter consumption periods may affect the monthly consumption volumes in specific tariff blocks.

Domestic Supply

(1) (a) A one-part inclining block tariff structure for single phase meters with up to 60ampere, is applied in respect of credit meters as well as prepaid meters.

(b) A two-part inclining block tariff; all households using less than 400 kWh (based on the average purchases of the previous four months) will automatically be placed on the domestic two part tariff except in the following cases:

- Indigent or poverty-stricken consumers
- Consumers identified as permanent inhabitants for at least nine month of a year. To be identified as such, a consumer has to hand in a sworn affidavit signed by a Commissioner of Oath.

(c) A one-part Indigent inclining block Tariff - for permanent residents who qualify for an indigent subsidy.

- (d) A certain amount of electricity is distributed free of charge every month. This is decided on by council during the budgetary process.
- (e) A two-part domestic tariff structure for three phase meters, is applied in respect of credit meters as well as prepaid meters.

Commercial Supply

- (2) (a) A two-part tariff structure is applied in respect of single phase credit meters and prepaid meters using less than an average of 1500kWh per month, calculated over a period of six months.
- (b) A one part tariff structure is applied in respect of single phase prepaid meters using more than an average of 1500kWh per month, calculated over a period of six months.
- (c) A two-part tariff structure is applied in respect of three phase credit and prepaid meters using less than an average of 3000kWh per month, calculated over a period of six months.
- (d) A one part tariff structure is applied in respect of single phase prepaid meters using more than an average of 3000kWh per month, calculated over a period of six months.

Light Industrial/Bulk Supply

- (3) (a) A three-part tariff structure is applied in respect of light industrial meters
- (b) A three-part tariff structure is applied in respect of bulk supply meters
- (c) A three-part time-of-use tariff structure is applied in respect of special bulk supply meters

Other Supply

- (4) (a) A three-part tariff structure is applied in respect of Moss gas (Klipheuwel)
- (b) A two-part demand tariff structure is applied for agricultural supply
- (c) A one-part tariff is charged to agricultural water pumping

- (d) A one-part tariff is charged to street lighting where electricity supply is metered
- (e) A one-part fixed tariff is charged to private street lighting
- (f)
- (g) A one-part tariff is charged to sport fields

Miscellaneous

- (5) (a) An availability fee will be charged on properties not connected to the electricity network, should it be available to that property. This fee aims to recoup capital and maintenance costs of networks as well as certain fixed administrative costs in respect of such properties. If the owner connects the service with the intention to improve the property the debit will be adjusted pro-rata from the date of the connection.
- (b) A fixed tariff is charged for:
 - electricity connections
 - re-connections
 - special readings
 - testing of meters
 - replacing of breakers
 - installing of pre-paid meters
 - erecting of street lights
 - damage to, or tampering with meters
 - moving of meter
- (c) For each additional residential or business unit on a property whether or not a second electricity meter is installed and although there is only one water meter, a basic fee for water as well as refuse removal, will be payable for each unit.
- (d) The developer or registered owner is at all times responsible for payment of services on a property.

General

- (6) (a) Tariffs as well as the minimum levels of deposits will be revised annually during the budgetary process.

- (b) The minimum levels for deposits may be increased for individual consumers at the discretion of Chief Financial Officer, should consumption levels or other risks necessitate it.

Water Tariffs

- (15) (1) Water is supplied to end-users by means of the following specialised infrastructure:
- (i) retaining and storage dams;
 - (ii) supply lines;
 - (iii) water purification plants;
 - (iv) water reticulation networks; and
 - (v) metered connections to the properties of consumers.

The variable cost of supply is, however, sensitive to prices of essential materials such as chlorine, which is used in the purification processes. Apart from normal price increases, the price is also influenced by exchange rates.

The supply of water is regulated by the Water Services Act 1997, Act 108 of 1997, but without a centralised regulatory body such as the NER. Certain minimum standards as well as guidelines for tariffs are contained in the Act.

Many aspects pertaining to water supply is influenced by the same factors as that of electricity supply. Due to this, only those factors unique to water supply and the accompanying tariff structure are discussed.

Water is a scarce commodity with little alternatives available (contrary to electricity). Tariff structures should therefore be aimed at the reduction of consumption. For this reason a declining block tariff structure is not an option.

Water is bought at a one-part tariff expressed in Rand per kilolitre. For this reason it is found that water tariff structures for end-users follow the same trend. In order to cut consumption, an inclining block rate tariff structure with a basic fee is applied in Mossel Bay.

The first block rate represents the lifeline volume of 6 kl per month, which is supplied at no cost to households. Losses incurred in this tariff category are recouped by contributions from the higher tariff categories, conforming to the principle of cross-subsidisation. Council however reserves the right to decrease or discontinue the free 6kl per month in the case of a drought.

Categories of consumers and charges:

- (2) Provisions are made for the following categories of users:
- a. Consumers with connections up to 25mm
 - 1. Single residential, Flats, Other Residential, Complexes with businesses and residential combined. (up to four consumers with one joint meter)
 - 2. Indigent consumers
 - 3. Businesses and Accommodation Establishments with up to four consumers and with one joint meter.
 - 4. Flats, other residential, Accommodation Establishments and business complexes with more than four units and with one joint meter
 - 5. Other residential consumers with more than four but less than 10 consumers and with one joint meter.
 - 6. Other residential consumers with more than 10 consumers and with one joint meter.
 - b. Consumers with connections bigger than 25mm
 - 1. Medium connections with up to nine consumers and with one joint meter using less than 1000kl per month
 - 2. Medium connections with more than nine consumers and with one joint meter using less than 1000kl per month.
 - 3. Bulk consumers (consuming more than 1000kl per month, for two months over a period of twelve months)
 - 4. Special agreements
- (3) All consumers shall be charged a fixed basic charge. Thereafter a stepped tariff per kl, as determined by the council from time to time, shall be applicable on metered water consumption.

Leakages

- (4) (a) A consumer may qualify for a percentage reduction as determined by Council on his/her account in the event of a water leakage, if:

- (i) The leakage was underground and not easily detectable;
- (ii) The leakage was repaired within 48 hours after detection;
- (iii) That the consumer submits a sworn affidavit by him/herself confirming that his/her insurance(s) does not cover such losses.
- (iv) A written confirmation from the consumer's insurance also be submitted together with the sworn affidavit in which they confirm that the insurance policy of the consumer indeed does not cover any losses due to leakages.
- (v) The consumer has not applied for discount within the previous 12 months;
- (b) A authentic certificate must reach the municipality within 10 days after completion of repairs done and must contain the following:
 - (i) The date of the invoice and repair work as well as the receipt
 - (ii) Confirmation that surface leakage was not visible
 - (iii) Certify that the leakage originated from pipes listed on the schedule of approved pipes held by the City Engineer
 - (iv) That when the Accounting Officer declares that the dam volume has dropped to below 25% no water charges in respect of water losses because of leakages will be written off.

Water restrictions in the case of a drought

- (5) Refer to the Water Demand Management Policy.

Miscellaneous

- (6) (a) An availability fee will be charged on users and/or properties not connected to the water network, should it be available. This fee aims to recoup capital and maintenance costs of networks as well as certain fixed administrative costs in respect of such properties. If the owner connects the service with the intention to improve the property the debit will be adjusted pro-rata from the date of the connection.

- (b) A certain quantity of water may be distributed free of charge every month. This is decided on by council during the budgetary process.
- (c) A fixed tariff is charged for:
 - (i) water connections
 - (ii) upgrading of water meters to a larger connection
 - (iii) special readings
 - (iv) testing of meters
 - (v) installation of taps after the meter
 - (vi) moving of meters
 - (vii) opening of meters inaccessible for reading
 - (viii) damage to, or tampering with meters
 - (ix) buying water at the Fire Brigade
- (d) Properties with more than one consumer and where a bulk meter is installed will pay.
 - (i) A basic charge according to the size of the connection and/or consumption.
 - (ii) Metered consumption according to the consumers tariff, linked with the size of the connection and/or consumption (if more than 1000 kl consumed for a 2 month period per year).
- (e) Flats and other complexes with more than one consumer and with one joint meter will pay:
 - (i) The basic per consumer according to domestic tariff
 - (ii) Metered consumption according to the consumers tariff, linked with the size of the connection and/or consumption
- (f) Water delivery in rural areas,:
 - (i) A fixed predetermined amount will be charged to cover the transport cost.
 - (ii) In the case of registered indigent consumers the cost will be recovered from the applicable grant.
 - (iii) Only 6kl water per household will be delivered per month.

- (iv) Delivery per area will only be made according to a fixed schedule.

General

- (7) (a) Tariffs as well as the minimum levels of deposits will be revised annually during the budgetary process.
- (b) The minimum levels for deposits may be increased for individual consumers at the discretion of Chief Financial Officer, should consumption levels or other risks necessitate it.
- (c) It is the consumer's responsibility to ensure that the meter is readable and accessible for meter readers.

Refuse removal tariff structures

(16) (1) The factors and principles that impact on tariff structures are:

- (i) Operating cost of vehicles;
- (ii) The cost of labour, fuel and maintenance of vehicles. This is a labour intensive service and changes in any of these cost elements may have a drastic influence on the total cost;
- (iii) National and regional standards in respect of dump sites and transfer stations must be adhered to and may necessitate additional expenditure;

(2) In general refuse volumes are influenced by the following factors:

- (i) the number of occupants on a property;
- (ii) garden refuse that is produced;
- (iii) the nature and volumes of business and industrial refuse; and
- (iv) habits of consumers and facilities available to them.

- (3) Each consumer pays for the privilege to have a certain volume of refuse removed from his/her premises. Should certain consumers have a need for increased volumes, they must bear the additional cost themselves. This principle has the result that a more affordable service is supplied to the

average consumer, while large consumers pay for their additional volumes.

- (4) A consumer who chooses to do his/her own refuse removal will still be liable for paying the refuse tariff, as the service is available to all consumers.
- (5) Tariffs are based on units of refuse removal. One unit is defined as one bag of refuse removed once a week.
- (6) For each additional residential unit, an additional domestic refuse removal tariff will be levied.
- (7) Refuse removal at accommodation establishments will be levied at an amount calculated on a minimum of three units.
- (8) In caravan parks or camping areas two stands, bungalows and/or chalets will be levied as one refuse removal unit.
- (9) A refuse fee will be charged for each dwelling on a property, to all occupiers/owners of improved properties whether or not an electricity meter has been installed. A refuse levy will also be payable by the owner where a building/house is unoccupied.

Categories of consumers

(1) Provisions is made for the following categories of consumers:

- (i) Domestic consumers
- (ii) Accommodation establishments
- (iii) Additional residential units
- (iv) Special Agreements
- (v) Caravan Parks.
- (vi) Removal on Request
- (vii) Businesses on Residential Properties
- (viii) Additional Removals
- (ix) Medium consumers
- (x) Bulk consumers

General

- (2) (a) Tariffs as well as units to be removed from categories of consumers will be revised annually during the budgetary process.
- (b) Only refuse in the prescribed black plastic bags should be removed.

- (c) An additional service should be available upon special request for the removal of garden refuse. Spare capacity of vehicles and teams could be utilised for this purpose. Tariffs should be at such a level that total cost is recovered. Consumers should be encouraged to do their own removals. Contractors should pay a dumping fee.
- (d) In the event of business being conducted from a residential property business tariff will be levied for refuse removal.
- (e) Refuse levy will be payable on properties used as storage or vacant properties.

Sewerage tariff

- (17) (1) The following services are rendered in the Municipal area:
 - (i) An internal water borne sewerage system consisting of reticulation network and sewerage works;
 - (ii) A small number of properties are serviced by a septic tank service.
- (2) A fixed rate structure is applicable, which only differentiate between groups of properties:
 - (i) Single residential
 - (ii) Sectional title units
 - (iii) Additional residential units
 - (iv) Accommodation Establishments
 - (v) Business and other properties
 - (vi) Chalets and caravan parks
 - (vii) Granny Flats
 - (viii) Special agreements
 - (ix) Availability charges on vacant properties
 - (x) Churches
 - (xi) Bucket Removal systems

Miscellaneous

- 16. (1) (a) An availability fee will be charged on vacant properties not connected to the sewage system should it be available. This fee aims to recoup capital and maintenance costs of networks as well as certain fixed administrative costs in respect of such properties. If the owner connects the service with the intention to improve the property the debit will be adjusted pro-rata from the date of the connection.

- (b) A fixed tariff is charged for:
 - (i) sewage connections
 - (ii) larger connection
 - (iii) inspections for blockages
 - (iv) opening of sewage blockages
 - (v) emptying of septic tanks
 - (vi) industrial effluent

General

- (8) Tariffs will be revised annually during the budgetary process. Sewerage is levied annually and divided into twelve equal monthly instalments. On written request it can be paid annually by 30 September.
- (9) Where rates sewerage and availability fees (on vacant erven) are paid on a monthly or annually basis, such payment must be made before the expiry date. Failing this, interest at the standard rate of prima +1 %, will be levied on the outstanding payment

Sundry service tariff structures

- 17. (1) (a) A variety of sundry tariffs are applied to recoup costs of sundry services provided to the public. All such tariffs are based on cost of supply, but individual tariffs may be set at:
 - (i) subsidised levels;
 - (ii) levels reflecting actual cost; or
 - (iii) levels producing profits.
- (b) The level, at which the Council sets a sundry service tariff, takes into account factors such as:
 - (i) affordability;
 - (ii) socio-economic circumstances;
 - (iii) utilisation of amenities and resources;
 - (iv) national and regional agreements and provisions; and
 - (v) any other factors influencing such decisions.
- (c) These tariff structures and tariffs will be revised at least once a year, during the annual budgetary process.

Conclusion

18. (1) (a) Tariffs represent the charges levied by Council on consumers for the utilisation of services provided by the Municipality and rates on properties. Tariffs may be calculated in various ways, dependent upon the nature of the service being provided. Tariffs may be set in such a manner so as to recover the full cost of the service being provided or to recover a portion of those costs.
- (b) The same principles stipulated in this policy will unilaterally apply in Trading-, Economical-, Subsidised and Community Services.

Adjustments of services

19. Where incorrect debits were raised regarding services, the accounts under query will be rectified for the year, in which the error was found or reported, and two preceding years.

MOSSEL BAY MUNICIPALITY



CUSTOMER CARE, INDIGENT, CREDIT CONTROL, DEBT COLLECTION AND TAMPERING POLICY

DOCUMENT AND VERSION CONTROL

Version: Revision 8

Date: MAY 2012

Summary: This document describes the Customer care, Indigent, Credit control, Debt collection and Tampering Policy that will be applicable to the Mossel Bay Municipality, with effect from

1 July 2012

Signature: _____

Municipal Manager
(Accounting Officer)

Date : _____

Signature: _____

Executive Mayor

Date: _____

I N D E X

1. DEFINITIONS
2. GENERAL OBJECTIVES
3. PRINCIPLES
4. DUTIES AND FUNCTIONS
5. PERFORMANCE EVALUATIONS
6. REPORTING
7. CUSTOMER CARE
8. INDIGENT POLICY
9. CREDIT CONTROL POLICY
10. DEBT COLLECTION POLICY
11. TAMPERING POLICY

MOSSEL BAY MUNICIPALITY

**CUSTOMER CARE, INDIGENT, CREDIT CONTROL AND DEBT
COLLECTION POLICY**

Definitions

1. For the purpose of this policy, the wording or any expression has the same meaning as contained in the Act, except where clearly indicated otherwise and means the following:

“Accounting Officer” means the municipal manager appointed in terms of section 82 of the Local Government: Municipal Structures Act, 1998 (Act 117 of 1998) and being the head of administration and accounting officer in terms of section 60 of the Local Government: Municipal Systems Act 2000 (Act No. 32 of 2000).

“Act” The Local Government Act: Systems Act, 2000 (Act No 32 of 2000) as amended from time to time;

“Authorized Representative” Person or instance legally appointed by the Council to act or to fulfil a duty on its behalf;

“by-law” means a by-law adopted by the Council,

“Chief Financial Officer” the person appointed by council to administer its finances regardless of the designation or title attached to the post;

“consumer” any occupier [/tenant] of a property to which the Municipality has agreed to supply services or already supplies services to, or when the occupier is not the responsible person, then the owner of the property;

“council” the municipal council of the Municipality of Mossel Bay;

“credit control and debt collection” means the functions relating to the collection of any monies due and payable to the Municipality;

“defaulter” a consumer who owes money to the Municipality after the due date has expired;

“equipment” a building or other structure, pipe, pump, wire, cable, meter, engine or any accessories;

“households” all matured persons older than 18 years that occupies a property within the jurisdiction of the Council regardless whether the person rents or owns the property;

“indigent household” a Household qualify as indigent on the following conditions:

- (i) Total monthly household income must not be more than twice (2x) the monthly State old age pension and
- (ii) The average electricity consumption for the past four months must not exceed 400kwh per month and
- (iii) The average water consumption for the past four months must not exceed 15kl water per month.

“interest” a charge levied, with the same legal priority as service charges, on arrear amounts calculated at an interest rate which is one percent higher than the prime interest rate.;

“Municipality” the institution that is responsible for the collection of funds and the provision of services to the consumers of Mossel Bay;

“Municipal account” shall include levies or charges in respect of the following services and taxes:

- (a) electricity consumption,
- (b) water consumption,
- (c) refuse removal,
- (d) sewerage services,
- (e) rates,
- (f) interest and/or surcharges, admin fees for debt collection,
- (g) housing rentals and instalments,
- (h) miscellaneous and sundry charges.

“municipal services” those services provided by the Municipality, such as, inter alia the supply of water and electricity, refuse removal, sewerage treatment, and for which services charges are levied;

“occupier” any person who occupies any property or part thereof, without taking cognisance of the title in which he or she occupies the property,

“poor households” A household qualify as a poor household on the following conditions:

- (a) Total monthly household income must be more than twice (2x) the monthly State old age pension and less than the amount determined by council
- (ii) The average electricity consumption for the past four months must not exceed 400kwh per month and
- (iii) The average water consumption for the past four months must not exceed 15kl water per month.

“property” any portion of land, of which the boundaries are determined, within the jurisdiction of the Municipality.

"tamper" means the unauthorized interference with a service rendered by the municipality, or to damage or make unauthorized changes to the equipment or property of the municipality used in connection with the provision or municipal services.

General objectives

- 2. (1) The objectives of this policy are to:-
 - (a) provide a framework within which the Municipality can exercise its executive and legislative authority with regard to credit control and debt collection;
 - (b) ensure that all monies due and payable to the Municipality are collected and used to deliver services in the best interests of the community, residents and consumers and in a financially sustainable manner;
 - (c) provide a framework for consumer care and indigent support;
 - (d) describe credit control measures and sequence of events;
 - (e) outline debt collection and credit control procedures and mechanisms; and
 - (f) set realistic targets for credit control and debt collection.

Principles

- 3. (1) The administrative integrity of the Municipality must be maintained at all costs. The democratically elected councillors are responsible for

Policy-making, while it is the responsibility of the Accounting Officer to ensure the execution of these policies.

- (2) All consumers must complete an official application form, formally requesting the Municipality to connect them to service supply lines. The most important rights and obligations of the consumer and Municipality must be included in the service application form.
- (3) A copy of the application form, conditions of services and extracts of the relevant council's consumer care, credit control and debt collection policy and By-laws must be handed to every consumer on request at such fees as may be prescribed by Council.
- (4) Billing is to be accurate, timorous and understandable.
- (5) The consumer is entitled to reasonable access to pay points and to a variety of reliable payment methods.
- (6) The consumer is entitled to efficient, effective and reasonable responses to enquiries and appeals, and should suffer no disadvantage during the processing of such requests.
- (7) Enforcement of payment must be prompt, consistent and effective.
- (8) Unauthorised consumption, connection and reconnection, the tampering with or theft of meters, service supply equipment and the reticulation network and any fraudulent activity in connection with the provision of municipal services will lead to disconnections, penalties, loss of rights and criminal prosecutions.
- (9) Incentives and disincentives may be used in collection procedures.
- (10) The collection process must be cost-effective.
- (11) Results will be regularly and efficiently reported and monitored.
- (12) Application forms will be used to, *inter alia*, categorise consumers according to credit risk and to determine relevant levels of services and deposits required.
- (13) Targets for performance in both consumer service and debt collection will be set and pursued and remedies implemented for non-performance.
- (14) Where practically possible the debt collection and consumer care policies would be handled independently of each other and the organizational structure will reflect the separate functions.

- (15) Consumers that meet council's indigent criteria must be identified and supported.

Duties and functions

Duties and Functions of Council:

4. (1) To approve a budget consistent with Council's Integrated Development Plan.
- (2) To impose rates and service charges to finance the budget.
- (3) To facilitate sufficient funds to give access to basic services for the poor.
- (4) To provide for a bad debt provision, in line with the payment record of consumers as reflected in the financial statements of the Municipality.
- (5) To set an improvement target for debt collection, in line with acceptable accounting ratios and resources available to the Accounting Officer.
- (6) To approve a reporting framework for customer care, credit control and debt collection.
- (7) To consider and approve By-laws to give effect to the Council's policy.
- (8) To revise the budget should Council's targets for consumer care, credit control and debt collection not be met.
- (9) To take disciplinary and/or legal action against councillors, officials and agents who do not execute council policies and By-laws, or act improperly in terms of such policies and By-laws.
- (10) To approve a list of attorneys that will act for Council in all legal matters relating to debt collection.
- (11) To delegate the required authorities to monitor and execute the customer care, credit control and debt collection policy and By-law to the Executive Mayor and Accounting officer.
- (12) To provide sufficient capacity in the Municipality's Financial Department for customer care, credit control and debt collection. Alternatively to appoint a Service Provider, or debt collection agent.
- (13) To assist the Accounting Officer in the execution of his duties, if and when required.
- (14) To provide funds for the training of staff.

Duties and functions of Councillors

- (15) To hold regular ward meetings.
- (16) To adhere to and convey council policies to consumers and ratepayers.
- (17) To adhere to the Code of Conduct for Councillors.
- (18) To give inputs regarding indigent applications.

Duties and functions of Executive Mayor

- (19) To ensure that Council's budget, cash flow and targets for debt collection are met and executed in terms of the policy and relevant By-laws.
- (20) To monitor the performance of the Accounting Officer in implementing the policy and By-laws.
- (21) To review and evaluate the policy and By-laws in order to improve the efficiency of Council's customer care, credit control and debt collection procedures, mechanisms and processes.
- (22) To report to Council.

Duties and functions of the Accounting Officer

- (23) To implement good customer care management systems.
- (24) To implement council's customer care, credit control and debt collection policy.
- (25) To install and maintain appropriate accounting and credit control systems.
- (26) To bill consumers.
- (27) To demand payment on due dates.
- (28) To raise interest and collection fees for payment defaults.
- (29) To appropriate payments received.
- (30) To collect outstanding debt.
- (31) To provide different payment methods.
- (32) To determine customer care, credit control and debt collection measures.

- (33) To determine all relevant work procedures for, inter alia, public relations, arrangements, disconnections of services, summonses, attachments of assets, sales in execution, write-off of debts, sundry debtors and legal processes.
- (34) To instruct agents and attorneys to proceed with legal processes.
- (35) To set performance targets for staff.
- (36) To appoint staff to execute council's policy and By-laws in accordance with council's appointment policy.
- (37) To delegate certain functions to heads of departments.
- (38) To determine control procedures.
- (39) To monitor contracts with Service Providers in connection with credit control and debt collection.
- (40) To report to the Executive Mayor.

Duties and functions of communities, ratepayers and residents

- (41) To fulfil certain responsibilities, as brought about by the privilege and or right to use and enjoy public facilities and municipal services.
- (42) To pay service fees, rates on property and other taxes, levies and duties imposed by the Municipality on or before due date.
- (43) To obtain a duplicate account at the municipal help desk if an account is not delivered during the normal billing cycle.
- (44) To notify the Municipality in writing when services are no longer required at a particular service delivery point and of address changes.
- (45) To safeguard and maintain service meters in a readable condition.
- (46) To observe the mechanisms and processes of the Municipality in exercising their rights.
- (47) To allow municipal officials reasonable access to their property to execute municipal functions.
- (48) To comply with the By-laws and other legislation of the Municipality.
- (49) To refrain from tampering with municipal services and property.
- (50) To maintain credit and pre-payment electricity and water meters.

- (51) Not to move any meter without written permission from the Municipality

Performance evaluation

5. (1) The municipal council in consultation with the Accounting Officer must establish a mechanism to set targets for debt collection, customer care and administrative performance, evaluate performances and take corrective actions on a regular basis to enhance credit control and debt collection.

Income Collection Targets

- (2) Council to create targets that include:
- (a) Reduction in present monthly increase in debt in line with performance agreements determined by council from time to time.

Consumer Service Targets

- (3) Council to create targets that would include:
- (a) Response time to consumer queries.
- (b) Date of first account delivery to new consumers.
- (c) Reconnection time lapse.
- (d) Meter reading cycle.

Administrative Performance

- (4) Council to create targets that will include:
- (a) Cost efficiency of debt collection.
- (b) Query and appeal periods.
- (c) Enforcement mechanism ratios.

Reporting

6. (1) The Chief Financial Officer shall report monthly to the Accounting Officer in a suitable format to enable the Accounting Officer to report to the Executive Mayor as supervisory authority in terms of section 99 of the Systems Act, read with section 100(c). This report shall contain particulars on:

- (a) Performance against targets agreed to in item 5 of this policy document.
- (2) If in the opinion of the Chief Financial Officer, Council will not achieve cash receipt income equivalent of the income projected in the annual budget as approved by Council, the Chief Financial Officer will report this with motivation to the Accounting Officer who will, if he/she agrees with the Chief Financial Officer, immediately move for a revision of the budget according to realistically realizable income levels.
- (3) The Executive Mayor as Supervisory Authority shall, at intervals of 3 months, report to Council as contemplated in section 99(c) of the Systems Act.

Customer Care Policy

7. (1) Objective

To focus on the client's need in a responsible and pro-active way, to enhance the payment for services and to create a positive and cooperative relationship between the persons responsible for the payment for services received, and the Municipality, and where applicable, any service provider.

Communication

- (2) The Municipality will, within its financial and administrative capacity, conduct an annual process of compiling and communicating its budget, which will include targets for credit control and debt collection.
- (3) Council's Customer Care, Indigent, Credit Control and Debt Collection Policy will be made available by general publication and on specific request, and will also be available for perusal at Council's offices.
- (4) Council will endeavour to distribute a regular newsletter, which will give prominence to customer care and debt issues.
- (5) Ward councillors will be required to hold regular ward meetings, at which Customer care and debt collection issues will be given prominence.
- (6) The press will be encouraged to give prominence to Council's Customer Care, Credit control and Debt Collection policies, and will be invited to Council or Committee meetings where these are discussed.

Metering

- (7) The Municipality will endeavour, within practical and financial limits, to provide meters to every paying consumer for all services.
- (8) All meters will be read monthly, if at all possible. If the meter is not read monthly the council will estimate the consumption in terms of council's operational procedures;
- (9) Consumers are entitled to request verification of meter readings and accuracy within reason, but may be held liable for the cost thereof.
- (10) Consumers will be informed of meter replacement.
- (11) If a service is metered but it cannot be read due to financial and human resource constraints or circumstances out of the control of the Municipality or its authorized agent, and the consumer is charged for an estimated consumption the account following the reading of the metered consumption must articulate the difference between the actual consumption and the average consumption, and the resulting credit or debit adjustments.
- (12) If an electricity meter cannot be read due to no access, the meter may be replaced with a pre-paid meter at the cost of the owner.
- (13) The occupier can give the readings through telephonically but at least every three months a true reading must be obtained by the meter reader.
- (14) If no reading on a water meter can be obtained for more than three consecutive months the meter may be moved at the cost of the owner/occupier

Accounts and billing

- (15) Consumers on the billing system will receive an understandable and accurate bill from the Municipality. which bill will consolidate all rates and service costs for that property.
- (16) Accounts will be produced in accordance with the meter reading cycle and due dates will be linked to the statement date.
- (17) Accounts will be rendered monthly in cycles of approximately 30 days at the address last recorded with the Municipality or its authorized agent.
- (18) It is the consumer's responsibility to ensure that the postal address and other contact details are correct.
- (19) It is the consumer's responsibility to make enquiries and ensure timeous payments in the event of accounts not received.

- (20) Settlement or due dates will be as indicated on the statement.
- (21) Where an account is not settled in full, any lesser amount tendered and accepted shall not be deemed to be in full and final settlement of such an account.
- (22) Where any payment made to the Municipality or its authorized representative by negotiable instrument and it is later dishonoured by the bank, the Municipality or its authorized agent:
 - (a) May recover an admin fee as determined by Council relating to dishonoured negotiable instruments against the account of the consumer.
 - (b) Shall regard such an event as a default on payment.
 - (c) May insist on cash payments for all future accounts.
- (23) The Municipality or its authorized agent must, if administratively possible, issue a duplicate account or any acceptable alternative to a consumer on request, at a cost determined by Council from time to time.

Payment facilities and methods

- (24) The Municipality will operate and maintain suitable payment facilities, which facilities will be accessible to all users.
- (25) The Municipality will, at its discretion allocate a payment between service debts and a consumer who has overdue debt, may not specify that the payment is for a specific portion of the account.
- (26) The Municipality may in terms of section 103 of the Systems Act, with the consent of a consumer, approach an employer to secure a debit or stop order arrangement.
- (27) The consumer will acknowledge, in the consumer agreements that the use of consumer agents in the transmission of payments to the Municipality is at the risk of the consumer – also for the transfer time of the payment.

Incentives for prompt payment

- (28) During the budget process Council may, to encourage prompt payment and/or to reward regular payers, consider from time to time incentives for the prompt payment of accounts or payment by debit or stop order.
- (29) The cost associated with the incentive scheme, if introduced, will be reflected in annual budgets as additional expenditure.

Enquiries, appeals and service complaints

- (30) Within its administration and financial ability the Municipality will establish:
 - (a) A central complaints/feedback office;
 - (b) A centralized complaints database to enhance co-ordination of complaints, their speedy resolution and effective communication with consumers;
 - (c) Appropriate training for officials dealing with the public to enhance communications and service delivery; and
 - (d) A communication mechanism to give council feedback on the application of the policies on customer care and management, credit control and debt collection and other issues of concern.
- (31) If a consumer is convinced that his or her account is inaccurate, he or she can lodge a query with the Municipality for investigation of this account, and where necessary the relevant alterations will be made.
- (32) In the interim the debtor must pay the average of the last three months accounts where such history of the account is available. Where no such history is available, the debtor must pay without prejudice of rights an estimate provided by the Municipality before payment due date until the matter is resolved.
- (33) The relevant department will investigate and inform the debtor within one month of the outcome of the investigation.
- (34) Failure to make such agreed interim payment or payments will result in the consumer forming part of the normal credit control procedures.
- (35) A consumer may appeal against the finding of the Municipality or its authorized agent in terms of 7(30).
- (36) An appeal in terms of 7(32) must be made and lodged with the Municipality within 21 (twenty-one) days after the consumer became aware of the finding and must:
 - (a) Set out the reasons for the appeal.
 - (b) Pay any security determined for the testing of a measuring device, if applicable.

- (37) After the appeal has been investigated by the Chief Financial Officer it must be submitted with comments to the Executive Mayor for a final ruling where after the consumer must be informed.

Consumer assistance programmes

Water leakages

- (38) If the leakage is on the consumer's side of the meter, the consumer will be responsible for the payment of all water supplied to the property.
- (39) The consumer has the responsibility to control and monitor his/her water consumption.
- (40) (a) A consumer may qualify for a percentage reduction as determined by Council on his/her account in the event of a water leakage, if:
- (i) The leakage was underground and not easily detectable;
 - (ii) The leakage was repaired within 48 hours after detection;
 - (iii) That the consumer submits a sworn affidavit by him/herself confirming that his/her insurance(s) does not cover such losses.
 - (iv) A written confirmation from the consumer's insurance also be submitted together with the sworn affidavit in which they confirm that the insurance policy of the consumer indeed does not cover any losses due to leakages.
 - (v) The consumer has not applied for discount within the previous 12 months;
- (b) A authentic certificate must reach the municipality within 10 days after completion of repairs done and must contain the following:
- (i) The date of the invoice and repair work as well as the receipt
 - (ii) Confirmation that surface leakage was not visible
 - (iii) Certify that the leakage originated from pipes listed on the schedule of approved pipes held by the City Engineer

- (iv) That when the Accounting Officer declares that the dam volume has dropped to below 25% no water charges in respect of water losses because of leakages will be written off.

Rate rebates

- (41) Subject to certain criteria the municipal council may grant rate rebates annually to certain categories of ratepayers in accordance to the Municipality's rates policy and By-law.

Arrangements for settlements

- (42) If required consumers with arrears must convert to a pre-payment meter, and when implemented the cost of the conversion and the arrears total, will be paid off either by-
 - (a) adding the debt to the arrears bill and repaying it over the agreed period; or
 - (b) adding the debt as a surcharge to the pre-paid electricity cost, and repaying it with each purchase of electricity until the debt is liquidated.
 - (c) Installation of pre-paid meter is free of charge if a person is indigent.
- (43) Council reserves the right to raise the deposit requirement of debtors who seek arrangements.
- (44) If an arrangement is not honoured the arrangement will be cancelled and no further agreement will be entered into.
- (45) All arrangements for settlements will be in accordance to the processes and guidelines approved by the Accounting Officer or Chief Financial Officer (CFO) from time to time in pursuance of the credit control and debt collection targets set by council.

Consumer Categories

- (45) Consumers will be categorized according to specific classifications based on *inter alia* the type of entity, applicable tariffs and risk levels. Processes for credit control, debt collection and consumer care may differ from category to category, as deemed appropriate from time to time by the Accounting Officer.

Priority Consumer Management

- (46) Certain consumers may be classified as priority consumers based on criteria determined by the Accounting Officer from time to time, such as the number of properties owned or volume of consumption.
- (47) A Priority Consumer Liaison Officer or person nominated by the Accounting Officer will be responsible for the ongoing management of the consumers so classified and will perform tasks such as the review of monthly accounts to ensure accuracy, the monitoring of prompt settlement of accounts and response to queries.

Indigent Policy

8 (1) The objectives of this policy are to:-

- (a) determine the criteria for qualification of indigent and poor households;
- (b) ensure that the criteria is applied correctly and fairly to all applicants;
- (c) allow the Municipality or its authorised agent to conduct in loco visits to the premises of applicants to verify the actual status of the household;
- (d) allow the Municipality to maintain and publish the register of names and addresses of account holders receiving subsidies.

(2) Principles of policy:-

- (a) The administrative integrity of the Municipality must be maintained at all costs. The democratically elected councillors are responsible for making of policy, while it is the responsibility of the Accounting Officer to ensure the execution of this policy;
- (b) All applicants must complete an official application form, which is to be submitted together with the supporting documents as specified in this policy;

(3) Criteria for indigent or poor households:-

To qualify for a subsidy, a household must comply with the following criteria:

- (a) The total household income for an indigent subsidy may not exceed the sum of two times the amount of state funded social pension and for a Poor household subsidy may not exceed the amount predetermined by Council;

- (b) The average monthly consumption of electricity by the household over the previous four months may not exceed 400kWh;
- (c) The average monthly consumption of water by the household over the previous four months may not exceed 15kl;
- (d) Must be a permanent occupier of the applicable property.
- (e) Must be a South African Citizen;
- (f) Must be the owner of only one property.

(4) Application for Indigent or Poor household Subsidy;-

The account holder must apply in person at a customer care office of the Municipality on the prescribed application form. The following items must accompany the application:

- (a) The latest municipal account of the household;
- (b) Proof of the account holders identity;
- (c) Proof of income of the total household;
- (d) Sworn statement.

(5) Local audit (verification)

The Municipality reserves the right to send officials and/or representatives of the Municipality to the household or site of the applicant(s) at any reasonable time, with the aim of carrying out a local verification of the accuracy of the information provided by the applicant(s)

Subsidy

- (6) Indigent subsidies will be funded from the equitable share contribution made from the national government's fiscus and as provided for in the municipal budget.
- (7) Subsidised services may include water, electricity, sewerage, refuse removal and assessment rates.
- (8) If a consumer's consumption or use of the municipal service is less than the subsidised service, the unused portion may not be accrued by the consumer and will not entitle the consumer to cash or a rebate in respect of the unused portion.

- (9) In order to assist the subsidised households, who uses more than the qualifying amount of water and electricity, not to lose their subsidy, these services will be restricted to allow only the use of maximum 15kl water and 400kWh electricity.
- (10) All consumes who qualify for a subsidy must agree to the installation of a prepaid electricity meter and will be placed on restricted service levels in order to limit further escalation of debt. Installation of a pre-paid meter is free of charge for indigent households.
- (11) When a household qualifies for a subsidy for the first time, the arrear account will be taken to council to consider writing off the debt.
- (12) Where a qualifying consumer's account is paid in full at the date of application, or regularly maintains a paid up account after receiving the subsidy, the restriction on service levels will be waived. If the account is cleared due to the arrear debts being written off, the restriction on service levels can only be waived after a period of six months during which the account was paid in full every month and after a written request has been received.
- (13) Where the household qualifies for the subsidy but is not the owner or account holder of the property and the owner cannot be traced, a tenant account can be opened for the occupier without a deposit. If at any stage the situation of this person should change and he is de-registered, a deposit must be paid.
- (14) A subsidised consumer must immediately request deregistration by the Municipality or its authorized agent if his/her circumstances have changed to the extent that he/she no longer meet the criteria.
- (15) A subsidised consumer may at any time request deregistration.
- (16) A list of subsidised consumers will be maintained and audited on a regular basis and the info may be supplied to the general public.

Water leakages and other problems at Indigent households

- (17) Where water leakages occur at indigent households, such leakages can be repaired at Councils expense and the cost thereof recovered from the equitable share grant.

Additional subsidy categories

- (18) Subject to the extent of the equitable share contribution received and affordability levels council may provide, free of charge to consumers, certain basic levels of water and electricity.

- (19) Further rebates may be provided as determined from time to time in council's policies and By-laws.

Credit Control Policy

- 9 (1) Specific objective

To implement procedures that will restrict the unauthorized use of municipal services, escalation of debt and limit Municipality's risks.

Service application and agreements

- (2) All consumers of services will be required to sign an agreement governing the supply and cost of municipal services. Owners (with their written consent) may allow tenants to sign separate agreements with the Municipality, which the Municipality may at its own discretion accept or reject.
- (3) All consumers shall pay a deposit as determined from time to time by Council and which may be increased by the Accounting Officer when deemed necessary and in the event of non-payment.
- (4) Prior to signing these agreements, consumers will be entitled to receive the policy document of the Council on request at a cost determined by Council.
- (5) On the signing of the agreement, consumers can insist on a copy of the agreement for their records if required.
- (6) Consumers are responsible for administration cost and interest in the event of delayed and/or non-payment.
- (7) Existing consumers of services may be required to sign new agreements as determined by the Accounting Officer from time to time.
- (8) If a consumer fails or refuses to sign a new service agreement or pay the deposit stipulated in subsection 8(3) the Municipality may discontinue services until the necessary agreement has been signed or deposit been paid.
- (9) The consumer will also be held accountable for services already provided, costs incurred and any other costs associated with the administration regarding collection of service fees and cost incurred.

Right of access to premises

- (10) The owner and or occupier of property is to allow an authorized representative of the Municipality access at all reasonable hours to the property in order to read, inspect, install or repair any meter or service

connection for reticulation, or to disconnect, stop or restrict, or reconnect, the provision of any service.

- (11) The owner is responsible for all the cost associated with the relocation of a meter if satisfactory access is not possible.
- (12) If a person fail to comply with the provisions set out in 8(10) the Municipality or its authorized representative may:
 - (a) By written notice require such person to restore access at his/her own expense within a specified period.
 - (b) If it is the opinion that the situation is a matter of urgency, without prior notice restore access and recover the cost from such person.

Enforcement Mechanisms

- (13) Interest can be raised as a charge on Rates, Sewerage and availability fees not paid by the due date.
- (14) Consumers who are in arrears with their municipal account and who have not made arrangements with the council will have their supply of electricity and water, and other municipal services, suspended, restricted or disconnected.
- (15) Council reserves the right to deny or restrict the sale of electricity or water to consumers who are in arrears with their rates or other municipal charges.
- (16) Upon the liquidation of arrears, or the conclusion of acceptable arrangements for term payment, the service will be reconnected as soon as conveniently possible.
- (17) The cost of the restriction or disconnection, and the reconnection, will be determined by tariffs approved by Council, and will be payable by the consumer.
- (18) If a person is indigent a pre-paid meter must be installed free of charge.
- (19) The deposit of any defaulter will be adjusted and brought into line with relevant policies of Council.
- (20) Where a property appears on the cut-off list for a second time during a twelve month period the credit meter may be replaced with a pre-paid meter and the cost be debited to the consumer account.

Theft and fraud

- (21) Any person (natural or juristic) found to be illegally connected or reconnected to municipal services, tampering with meters, the reticulation network or any other supply equipment or committing any unauthorized act associated with the supply of municipal services, as well as theft of and damage to Council property, will be prosecuted.
- (22) The Accounting Officer will immediately terminate the supply of services to a consumer should such conduct as outlined above, be detected.
- (23) The total bill owing, including interest, fines and administration fees, assessment of unauthorized consumption, discontinuation and reconnection fees, and increased deposits as determined by the Accounting Officer, if applicable, will be due and payable before any reconnection can be sanctioned.
- (24) The Accounting Officer will maintain monitoring systems in order to identify consumers who are undertaking such illegal actions.
- (25) Council reserves the right to lay criminal charges and/or to take any other legal action against both vandals and thieves.

Consumer screening and securities

- (26) All applicants for municipal services may be checked for credit-worthiness including banking details and information from credit bureaus, other local authorities, trade creditors and employers.
- (27) Deposits will be required, and may vary according to the risk. A minimum deposit will be payable equal to twice the largest consumption used during the previous six months or the amount determined by Council from time to time, whichever is the largest.
- (28) At the discretion of the Accounting Officer deposits can be increased to a maximum of three months average consumption when the account falls into arrears.
- (29) Deposits can vary according to the credit-worthiness or service or user category of the applicant.
- (30) The Municipality will not pay any interest on deposits.
- (31) Only on the termination of the agreement the amount of the deposit, less any outstanding amount due to the Municipality, will be refunded to the consumer or transferred to any other outstanding account of the client.
- (32) No Bank guarantees will be accepted as a deposit.

Persons and Business who tender to the Municipality

- (33) The Procurement Policy and Tender Conditions of the Municipality will include the following:
- (a) When inviting tenders for the provision of services or delivery of goods, potential contractors may submit tenders subject to a condition that consideration and evaluation thereof will necessitate that the tenderer obtain from the Municipality a certificate stating that all relevant municipal accounts owing by the tenderer and/or its directors, owners or partners have been paid or that suitable arrangements (which include the right to set off in the event of non-compliance) have been made for payment of any arrears.
 - (b) No tender will be allocated to a person/contractor until a suitable arrangement for the repayment of arrears, has been made. No further debt may accrue during contract period.
 - (c) A condition allowing the Municipality to deduct any moneys owing to the Municipality from contract payments.

Debt Collection Policy

Objective

10. (1) *To provide procedures and mechanisms to collect all the monies due and payable to Council arising out of the supply of services and annual levies, in order to ensure financial sustainability and delivery of municipal services in the interest of the community.*

Personal contact

- (2) Telephonic contact, agents calling on clients:
- (a) Council will endeavour, within the constraints of affordability, to make personal, electronic or telephonic contact with certain arrear debtors to encourage their payment, and to inform them of their arrears state, their rights (if any) to conclude arrangements or to indigent subsidies, other related matters and will provide information on how and where to access such arrangements or subsidies.
 - (b) Such contact is not a right for debtors to enjoy and disconnection of services and other collection proceedings may continue in the absence of such contact for whatever reason.

Legal Process/Use of attorneys/Use of credit bureaus

- (3) The Accounting Officer may, when a debtor is in arrears, commence legal process against that debtor, which process could involve final demands, disconnections, restrictions, summonses, judgments, garnishee orders and as a last resort, sales in execution of property.
- (4) The Accounting Officer will exercise strict control over this process, to ensure accuracy and legality within it, and will require regular reports on progress from outside parties, be they attorneys or any other collection agents appointed by council.
- (5) Council will establish procedures and codes of conduct where external service providers have been appointed to collect outstanding debtors.
- (6) Garnishee orders, in the case of employed debtors, are preferred to sales in execution, but both are part of Council's system of debt collection procedures.
- (7) All steps in the consumer care and credit control procedure will be recorded for Council's records and for the information of the debtor.
- (8) Individual debtor accounts are protected and are not the subject of public information. However Council may release debtor information to credit bureaus.
- (9) Council may consider the cost effectiveness of the legal process, and will receive reports on relevant matters.
- (10) Council may consider the use of agents as service providers and innovative debt collection methods and products. Cost effectiveness, the willingness of agents to work under appropriate codes of conduct and the success of such agents and products will be part of the agreement Council might conclude with such agents or service providers; and will be closely monitored by Council
- (11) Appropriate measures will be taken to inform consumers what the responsibilities of service providers will be regarding customer care, credit control and debt collection.

Rates clearance

- (12) On the sale of any property in the municipal jurisdiction, Council will withhold the transfer until all rates and service charges in connections with a property are paid by withholding a rates clearance certificate.

Administrative Cost in regard to collection

- (13) All costs of legal processes, including, service discontinuation costs and costs associated with consumer care or credit control, where ever applicable, are for the account of the debtor.

The Pre-payment meter System

- (14) The Municipality will use its pre-payment system to-
 - (a) link the provision of electricity by the Municipality to a “pre-payment” system comprising, first, a pre-payment of electricity kWh and;
 - (b) raise and recover payments in respect of arrear municipal taxes and other municipal levies, tariffs and duties in respect of services such as water, refuse removal, sanitation and sewage .
 - (c) to enforce satisfactory arrangements with consumers in arrears by blocking access to prepayment meters.

Abandonment of Claims

- (15) The Accounting Officer must ensure that all avenues are utilized to collect the Municipality’s debt from arrear debtors.
- (16) Circumstances whereby a municipal council may validate the termination of debt collection procedures as contemplated in section 109(2) of the Act are as follows:
 - (a) The insolvency of the debtor, whose estate has insufficient funds.
 - (b) A balance being too small to recover, for economic reasons considering the cost of recovery.
 - (c) Where a consumer or groups of consumers are unable to pay for services rendered and have no assets.
 - (d) Inactive accounts where all the necessary steps have been taken with no success and/or the debtors cannot be traced and/or the debtor has no assets.
- (17) The Accounting Officer must maintain audit trails in such an instance document the reasons for the abandonment of the actions or claims in respect of debts.
- (18) Criteria for the determination of the recoverability or irrecoverability of debt

All cases with the following classification “summons, judgment or execution” should be tested prior to the taking of action, with regard to the following:

- **Asset's Survey.** To undertake a home visit to make a survey of the type of house, its contents and other assets like vehicles registered in the name of the account holder as well as the combined income of the household. The result of this survey will determine whether further action is to be taken.
- **Consumption.** If a consumer has consumption of an average of more than 400kWh of electricity plus 15kl of water taken over a period of 4 months, these consumption point to the ability of the person to pay or to make an arrangement.

If the survey however reveals that the debt is still not recoverable after all necessary steps has been taken, it should be tabled together with the “write off compliance report” for consideration by Council to write off the debts.

(19) Deceased (Ref C/R F202-08/04)

1. A death certificate of the deceased should be presented.
2. Proof from the Registrar of Estates should be obtained that the deceased estate is not liable for any claims.
3. Should the estate however be liable for claims, a claim should be laid against the said estate.
4. If a death certificate was obtained while no estate was registered, such debts should be written off with effect from the date of death.
5. Should the new owner be an indigent case, the total outstanding amount should be written off.
6. If the new person (owner) is however not classified as indigent, the client shall be obliged to settle the outstanding amount from the date of death up to the current date or to arrange for a settlement agreement.
7. Child headed families, where the parents are deceased and only unemployed minor children lives in the dwelling, the debt can be written off.

(20) Clients in correctional care or clients who were imprisoned

1. Obtain a letter from correctional services, which indicates the date of release.
2. If the client is not an indigent case/subsidy case, a settlement agreement should be reached.

3. If a lodger occupies the dwelling while the owner is imprisoned, such lodger should accept responsibility for levies.
4. If no lodger is occupying the dwelling the services should be terminated until the owner is released from prison.

(21) Temporary suspension of actions for special reasons

1. At all times, the approval of the Director: Financial Services or his delegate should be obtained to suspend temporary actions for special reasons.

(22) Water on drip

1. If a person is in arrears and his/her water is on drip, such person should negotiate a settlement agreement to redeem the debts.
2. The water restriction should not be restored unless the settlement agreement is settled in full.
3. When the settlement agreement is paid off, the water restriction can be restored.

(23) Process regarding disabled persons or persons who are linked to a respirator or life supporting machine.

1. That indigent and subsidy of people with heavy consumption not be cancelled.
2. That all collection actions can be suspended with the Accounting Officers consent.
3. A medical certificate to confirm the client's health condition should be obtained at regular intervals.

- (24)** Where the inheritor of a property, with no, or an insolvent estate, qualifies for an indigent subsidy, the outstanding debt can be written off in order for clearance to be given and the property be transferred.

(25) Methods and places of payment:

1. Cheques and Postal orders must be crossed and be made payable to Mossel Bay Municipality. Post-dated cheques will not be accepted unless prior arrangements have been made. Receipts will not be mailed for payment made by cheque. If a receipt is required the words "RECEIPT REQUIRED", must be written on the account.

2. Payments will always be appropriated to the oldest account (notwithstanding the kind of service), where after it will be appropriated in order of a predetermined priority.
3. Payments can be made:
 - (i) at any of the Municipal Offices from Mondays to Fridays (public holidays excluded) 08:00 to 15:30 (Mossel Bay Office) and 08:00 to 15:00 (Great Brak River, Hartenbos, D'Almeida and Kwanonqaba offices);
 - (ii) at any of the Easy Pay or Pay@ pay points. Please note that at least 48 hours should be allowed for processing of all third party payments; However payments made at a third party will be done at own risk. It also remains the responsibility of the person making the payment, to ensure that the receipt is correct.
 - (iii) by direct Bank – and/or Electronic Payments to The Municipal Bank Account Using Mossel Bay Municipality as beneficiary . The Municipal account number must be used as the reference number;
 - (iv) by way of an automatic debit order. These forms are available at any of the Municipal Offices.

(26) **Interest**

Where rates, sewerage and availability fees (on vacant erven) are paid on a monthly basis or annually, such payment must be made before the expiry date. Failing this, interest at the standard rate of prima +1%, will be levied on the outstanding payment.

(27) **Suspension of services**

The supply can be disconnected without any notice, if any amount is due after the expiry date. The deposit will be revised simultaneously and a surcharge, as determined by Council from time to time, will be added whether the supply had been physically disconnected or not.

(28) **Re-connection**

It will in all cases be attempted to reconnect the supply on the day of payment. If this is not possible, the supply will be reconnected on the following working day.

(29) **Termination of services**

When a premise is vacated, the consumer leaving such premises must give the Municipality 15 day prior written notice. Failing which will

result in the consumer being held liable for costs levied until the date of the notice.

(30) **Accounts**

If no account has been received on the 10th on a month, a copy should be obtained from the Municipality. The account must at all times be produced when payments are done or enquiries are made.

(31) **Tenant Accounts**

Council will do everything possible to collect all municipal debt incurred by a tenant but if the debt cannot be collected the owner of the property will remain responsible

(32) **Payments**

Payments will always be appropriated to the oldest account (notwithstanding the kind of service), where after it will be appropriated in order of a predetermined priority. Post-dated cheques are not acceptable unless prior arrangements have been made.

(33) **Pre-paid electricity:**

Where a pre-paid electricity meter is in use and any of the other services on the property is in arrears, only units to the value of a portion of the amount tendered will be issued, the rest of the amount will be allocated to the arrear account. (The percentage of the division will be as determined by Council from time to time).

Tampering Policy

Objective

11. (1) Section 97(1) (h) of the Act stipulates that a municipality's Credit Control and Debt Collection Policy must provide for matters relating to unauthorised consumption of services, theft and damages.
- (2) The objective of this Policy is to provide in this policy an extension of Credit Control and Debt Collection Policy for the matters referred to in that section.

Implementing Authority:

- (3) The Accounting Officer must implement and enforce this policy and any by-laws enacted to give effect to this policy.

Unauthorised use of property of the Council

- (4) No one may tamper with any municipal equipment or property.

- (5) An authorised officer must inspect the equipment and property of the municipality when he or she suspects.
 - (a) that any illegal connections were attached to such equipment or property, or
 - (b) that any unauthorised consumption or use of services is taking place, or
 - (c) any theft of such equipment or property, or
 - (d) any damage to such equipment or property.

Municipality's right of access to premises

- (6) In terms of section 101 of the Act the occupier of premises in a municipality must give an authorised officer access at all reasonable hours to the premises in order to read, inspect, repair; any meter or service connection for reticulation, or to stop or restrict the provision of any service.

Power to restrict or terminate supply of services

- (7) Where the municipality has suffered any loss or damage as a result of any act contemplated in paragraph 4 a penalty equal to the amount of damages or loss may be imposed on the occupier of the premises concerned.
- (8) The occupier must be notified of the amount of damage or loss by means of a notice which is hand delivered, or sent per mail, to the latest recorded address of the occupier, and such notice must also stipulate the date on or before which such amount must be paid to the municipality.
- (9) The Council may in addition to the steps contemplated in paragraph (2) limit or discontinue the supply of water and electricity in terms of the prescribed disconnection procedures or discontinue any other service to any premises.
- (10) The Council may hand deliver or send per mail to the latest recorded address of the consumer a discontinuation notice informing such consumer –
 - (a) that the provision of the service will be, or has been discontinued on the date stated on the discontinuation notice, and
 - (b) of the steps which can be taken to have the service reconnected.
- (11) The council shall reconnect or restore full levels of supply of any of the restricted or discontinued municipal services only after the full amount of the penalty, including the costs of such disconnection and reconnection, if any, have been paid in full, or any other relevant

condition or conditions of the Council's credit control policy as it may deem fit have been complied with.

- (12) The right of the Council or any duly appointed agent to limit or discontinue water to any premises or customer, shall be subject to the provisions of sections 3 and 4 of the Water Service Act 1997 (Act 108 of 1997).

Illegal reconnections and/or tampering

- (13) The Accounting Officer shall, as soon as it comes to the notice of the Accounting Officer that any terminated or restricted service has been irregularly reconnected or reinstated, institute one, some or all of the following enforcement actions;
 - (a) disconnect or restrict such service(s),
 - (b) permanently remove such service(s),
 - (c) require pre payment technology to be installed,
 - (d) not reinstate such service(s) until the arrear account, including the interest raised on such amount, the charges for the notice sent in terms of paragraph 1 and the charges for both the original and subsequent reconnection or reinstatement of the service(s) and the revised deposit and penalty have been paid in full.
 - (e) laying criminal charges with the police,
 - (f) cancel the contract.
- (14) All indigent households shall be visited by a person or firm delegated by council on a regular basis to investigate tampering and illegal connection cases and or to inspect the status of meters connections and restrictions and/or flow limiters.



CASH MANAGEMENT AND INVESTMENT POLICY

DOCUMENT AND VERSION CONTROL**Version:** **Revision 6****Date:** **May 2012****Summary:** This document describes Cash Management and Investments that will be applicable to the Mossel Bay Municipality, with effect from **01 July 2012**

Signature: _____

Municipal Manager
(Accounting Officer)

Date : _____

13/6/2012

Signature: _____

Executive Mayor

Date: _____

13 June 2012

Contents

1. INTRODUCTION
2. SCOPE OF THE POLICY
3. OBJECTIVES OF THE POLICY
4. DUE CARE
5. DELEGATION OF AUTHORITY
6. MANAGEMENT AND INTERNAL CONTROL PROCEDURES
7. CASH MANAGEMENT
 - 7.1 BANK ACCOUNT ADMINISTRATION
 - 7.2 RECEIPTING MANAGEMENT
 - 7.3 EXPENDITURE MANAGEMENT
 - 7.4 WITHDRAWALS
 - 7.5 DEBT MANAGEMENT
 - 7.6 CASH – FLOW BUDGET
 - 7.7 WORKING CAPITAL MANAGEMENT
 - 7.8 CASH PROCEDURES
8. INVESTMENTS
 - 8.1 INVESTMENT MANAGEMENT
 - 8.2 INVESTMENT ETHICS
 - 8.3 INVESTMENT OBJECTIVES
 - 8.4 TYPES OF INVESTMENT ACCOUNTS
 - 8.5 APPROVED INVESTMENTS
 - 8.6 QUALIFYING INSTITUTIONS
 - 8.7 INVESTMENT DIVERSIFICATION
 - 8.8 COMPETITIVE SELECTION OF BIDS OR OFFERS
 - 8.9 CALL AND FIXED DEPOSIT PROCEDURES
 - 8.10 COMMISSIONS OR COSTS
 - 8.11 PERFORMANCE
 - 8.12 FORBIDDEN ACTIVITIES
 - 8.13 REPORTING
9. REVIEW OF THE POLICY

CASH MANAGEMENT AND INVESTMENT POLICY FOR THE MOSSSELBAY MUNICIPALITY

1. INTRODUCTION

- 1.1 In terms of the Local Government: Municipal Finance Management Act, 2003 (Act No.56 of 2003) (The Act), the municipality must establish an appropriate and effective cash management and investment policy with the implementation date being 1 July 2004 – refer to Appendix “A”.
- 1.2 Further, the Minister of Finance urged all Municipalities, in Government Gazette 27431 of 1 April 2005, to prepare for implementing proposed new regulations immediately – refer to Appendix “B”.
- 1.3 Due to the delay in the promulgation of the regulations and the fact that the municipality must have an investment policy consistent with the abovementioned Act as well as the permission to implement the draft regulations, this policy, which complies with the requirements of the Act as well as the draft regulations, was prepared.
- 1.4 The Mossel Bay Municipal Council considered and approved the underlying policy as its “Cash Management and Investment Policy” to which all functionaries of the municipality and Municipal Entities involved in cash management and investments must comply.

2. SCOPE OF THE POLICY

In order to ensure sound and sustainable management of the cash resources of the municipality this policy addresses all principles and processes involved in cash management and investments and includes:

- 2.1 The objectives of the policy;
- 2.2 Due care;
- 2.3 Delegation of authority;
- 2.4 Management and internal control procedures;
- 2.5 Cash Management;
- 2.6 Investments; and
- 2.7 Review of the policy.

3. OBJECTIVES OF THE POLICY

The objectives of the policy are to -

- 3.1 Sketch the general framework within which the municipality should invest and managed funds;
- 3.2 Ensure compliance with all legislation governing the investment of funds;
- 3.3 Maintain adequate liquidity to meet cash flow needs;
- 3.4 Ensure diversification of permitted investments;
- 3.5 Ensure optimal performance with the least possible risk, in managing and investing the cash resources of the municipality; and
- 3.6 Ensure transparency, accountability and appropriate lines of responsibility in the process.

4. DUE CARE

- 4.1 Each functionary in the cash management and investment process must do so with such judgment and care, under the prevailing circumstances, as a person of prudence, discretion and intelligence would exercise in the management of his or her own affairs and with his or her primary regard being to the probable safety of his or her own capital, in the second instance to his or her liquidity needs and lastly to the probable income derived.
- 4.2 Officials entrusted with investment and management of funds, have a responsibility and are accountable to the community to exercise due care when investing funds.

- 4.3 Speculation may not be undertaken in any of the processes.

5. DELEGATION OF AUTHORITY

- 5.1 The management of all the cash resources of the municipality is the responsibility of the Municipal Manager, as Accounting Officer, who must, for the proper application of this policy, develop an appropriate system of delegation that will both maximise administrative and operational efficiency and provide adequate checks and balances in the management of the cash resources.
- 5.2 The Chief Financial Officer, as designated in writing by the Accounting Officer, must advise the Accounting Officer on the exercise of the powers and duties with regards to this policy and must assist the Accounting Officer in the administration of the cash resources, the bank accounts and the investment accounts. The Chief Financial Officer may not sub – delegate the duty to assist the Accounting Officer in the administration of the municipality’s bank and investment accounts.
- 5.3 The delegation to withdraw money from the municipality’s bank or investment accounts may only be given to the Chief Financial Officer or any other senior financial officer as determined, in writing, by the Accounting Officer and of which a copy, signed by the Accounting Officer, must be kept with the official set of delegations of the municipality.
- 5.4 The Accounting Officer may not delegate any power or duty in the administration of the municipality’s cash resources to a political structure or councillor and no councillor is allowed to interfere or attempts to interfere in the management of the municipality’s cash resources.
- 5.5 Any delegation by the Accounting Officer in terms of this policy:
- 5.5.1 Must be in writing;
 - 5.5.2 Is subject to any limitations and conditions as the Accounting Officer may impose;
 - 5.5.3 May either be to a specific individual or to the holder of a specific post in the municipality and may not be to a committee of officials; and
 - 5.5.4 Does not divest the Accounting Officer of the responsibility concerning the exercise of the delegated power or the performance of the delegated duty.
- 5.6 The Accounting Officer may confirm, vary or revoke any decisions taken in consequence of a delegation or sub – delegation in terms of this policy, but no such variation or revocation of a decision may detract from any rights that may have accrued as a result of the decision.
- 5.7 For the application of this policy any referral to “Accounting Officer” also means “Any other person acting under a delegated power or performs a function delegated by the Accounting Officer” in terms of paragraph 5 of this document.

6. MANAGEMENT AND INTERNAL CONTROL PROCEDURES

- 6.1 The Accounting Officer, assisted by the Chief Financial Officer, must take all reasonable steps to ensure:
- 6.1.1 That the municipality's available working capital is managed effectively and economically in terms of the prescribed cash management and investment framework;
 - 6.1.2 That the municipality has and maintains a management, accounting and information system that accounts for all bank and investment accounts, receipting, withdrawals, cash management and investment transactions;
 - 6.1.3 That, in the case of investments, such investments are valued in accordance with GRAP guidelines and standards; and
 - 6.1.4 That the municipality has and maintains a system of internal control over its bank and investment accounts, receipting, withdrawals, cash management and investment transactions.
- 6.2 The internal control procedures involve the Internal Audit Activity and the Auditor General reviewing and testing the systems of the Investment Department on a regular basis. In order to prevent losses arising from fraud, misrepresentations, error, conflict of interest or imprudent action, a system of internal controls governs the administration and management of the investment and cash management portfolios.
- 6.3 Controls deemed most important include –
- 6.3.1 Control of collusion, separation of duties;
 - 6.3.2 Custodial safekeeping;
 - 6.3.3 Clear delegation of duties;
 - 6.3.4 Written confirmation of telephonic transactions;
 - 6.3.5 Minimising the number of authorised investment officials;
 - 6.3.6 Checking and verification by senior officials of all investment
 - 6.3.7 Documentation of transactions and strategies;
 - 6.3.8 Code of ethics and standards;
 - 6.3.9 Strict adherence to Investment Framework Policy and Guidelines;
 - 6.3.10 Limits placed on investments by the various officials;
 - 6.3.11 Procedures manuals;
 - 6.3.12 Electronic Funds Transfer limits and a detailed procedure manual for the system; and
 - 6.3.13 Regular reporting to Committee of all investments.

7. CASH MANAGEMENT

7.1 BANK ACCOUNT ADMINISTRATION

- 7.1.1 The Accounting Officer or delegated nominee is responsible for the administration of the municipality's bank accounts including the opening of the bank accounts, the designation of the primary bank account and all banking and withdrawal procedures. The bank account may only be managed in accordance with any auditing requirements as well as any legal requirements including as prescribed in the Local Government: Municipal Finance Management Act, 2003 and in particular Chapter 3 of the Act as well as section 64 of the Act.
- 7.1.2 The Accounting Officer may delegate the duties attached to the administration of the bank accounts as per paragraph 5 of this policy.
- 7.1.3 The Accounting Officer, in conjunction with the Chief Financial Officer (CFO), is responsible for the effective and efficient management of the council funding, namely-
 - 7.1.3.1 The municipality must open at least one bank account in the name of the municipality;
 - 7.1.3.2 The municipality may not open a bank account –
 - 7.1.3.2.1 abroad;
 - 7.1.3.2.2 with an institution not registered as a bank in terms of the Banks Act, 1990 (Act 94 of 1990); or
 - 7.1.3.2.3 otherwise in the name of the municipality.
 - 7.1.3.3 ensure that its funding always has sufficient money for appropriated expenditure and direct charges to meet the progressive cash flow requirements.
- 7.1.4 Bank account requirements, guidelines and regulations in terms of sections 7, 8, 9, 10 and 11 of the MFMA are adhered to.
- 7.1.5 Ensure that the Municipality accounts daily for the cash movements of all bank accounts in the financial records.
- 7.1.6 The Accounting Officer, in conjunction with the CFO are responsible for establishing systems, procedures, processes and training and awareness programmes to ensure efficient and effective banking and cash management for the treasury and budget offices.
- 7.1.7 Sound cash management would include -
 - 7.1.7.1 collecting revenue when it is due and banking it promptly;
 - 7.1.7.2 making payments, including transfers, no earlier than necessary, with due regard for efficient, effective and economical programme

- delivery and the municipality's normal terms for account payments;
- 7.1.7.3 avoiding prepayments for goods or services (i.e. payments in advance of the receipt of the goods or services), unless required by the contractual arrangements with the supplier;
- 7.1.7.4 accepting discounts to effect early payment only when the payment has been included in the monthly cash flow estimates and is in accordance with the municipality's normal terms for account payments;
- 7.1.7.5 pursuing debtors with appropriate sensitivity and rigour to ensure that amounts receivable by the municipality are collected and banked promptly;
- 7.1.7.6 accurately forecasting the municipality's cash flow requirements so that the National Treasury can optimise its central cash management responsibilities on behalf of the government;
- 7.1.7.7 timing the in and outflow of cash;
- 7.1.7.8 recognising the time value of money, i.e. economically, efficiently and effectively managing cash;
- 7.1.7.9 taking any other action that avoids locking up money unnecessarily and inefficiently, such as managing inventories to the minimum level necessary for efficient and effective programme delivery, and selling surplus or under-utilised assets in terms of the asset management policy;
- 7.1.7.10 performing bank reconciliation on a daily basis to detect any unauthorised entries;
- 7.1.7.11 ensuring that dishonoured cheques are followed up immediately; and
- 7.1.7.12 separation of duties to minimise the incidence of fraud.
- 7.1.8 Private money, private bank accounts and cashing private Cheques is prohibited.
- 7.1.9 Delegated authority by the Directors of departments must assign authority in writing to officials to approve warrant vouchers, cheques or electronic payments.
- 7.1.10 Only authorised officials may sign cheques and must initial the counterfoils.
- 7.1.11 All cheques must be crossed "NOT TRANSFERABLE" between parallel lines. The cancellation of crossings is not permitted.
- 7.1.12 When an issued cheque is lost, stolen or damaged, an instruction to stop payment must immediately be issued to the responsible bank. Once confirmation has been received that the cheque was stopped, the transaction must be reversed and a new cheque issued and accounted for.
- 7.1.13 Deposit all money received into the bank account(s) promptly and in accordance with the MFMA, Chapter 3.
- 7.1.14 Withdrawals from bank account(s) should be completed in terms of the MFMA, Section 11.

- 7.1.15 Designate and advise National Treasury (NT) in writing of details of the primary bank account, or any change in the primary bank account.
- 7.1.16 In cases where a municipality has more than one bank account, ensure that only the municipal manager or Chief Financial Officer (CFO) is delegated authority to withdraw funds from the primary bank account.
- 7.1.17 Check to ensure that all relief, charitable and trust accounts are set up in the name of the municipality and are administered by the Accounting Officer.
- 7.1.18 Deposit all money received for relief, charitable and trust accounts into the correct account, and make withdrawals from those accounts only for the purposes for which the fund was established and where appropriately authorised by the municipal manager in terms of the MFMA.
- 7.1.19 Notify National Treasury (NT) of occasions when the bank account(s) of the municipality show an (consolidated) overdraft position for a period exceeding a prescribed period, and provide details of the amount, the reasons for the overdraft and the steps taken to correct the matter.
- 7.1.20 Table in council a consolidated report of withdrawals each quarter, and submit a copy of the consolidated report to the Provincial Treasury and Office of the Auditor General.
- 7.1.21 Submit to Provincial Treasury and the Office of the Auditor General written details of new bank accounts when opened, and all bank accounts each year.

7.2 RECEIPTING MANAGEMENT

- 7.2.1 The Accounting Officer is responsible for the administration of all receipting procedures and must take all reasonable steps to ensure receipting is being managed in accordance with any auditing requirements as well as any legal requirements including as prescribed in the Local Government: Municipal Finance Management Act, 2003 and in particular Section 64 of the Act.
- 7.2.2 The Accounting Officer may delegate the duties attached to receipting as per paragraph 5 of this policy.

7.3 EXPENDITURE MANAGEMENT

- 7.3.1 The Accounting Officer is responsible for the administration of all expenditure procedures and must take all reasonable steps to ensure expenditure is being managed in accordance with any auditing requirements as well as any legal requirements including as prescribed in the Local Government: Municipal Finance Management Act, 2003 and in particular Section 65 of the Act, giving due consideration to Section 11 of the Act.
- 7.3.2 The Accounting Officer may delegate the duties attached to expenditure as per paragraph 5 of this policy.

7.4 WITHDRAWALS

- 7.4.1 The Accounting Officer is responsible for the administration of all withdrawals procedures and must take all reasonable steps to ensure withdrawals are being managed in accordance with any auditing requirements as well as any legal requirements including as prescribed in the Local Government: Municipal Finance Management Act, 2003 and in particular Section 11 of the Act.
- 7.4.2 The Accounting Officer may delegate the duties attached to withdrawals as per paragraph 5 of this policy.

7.5 DEBT MANAGEMENT

- 7.5.1 In order to ensure adequate cash – flow the municipality may incur short – or long-term debt, provided that the Council approves all debt agreements, the Mayor must sign the resolutions approving the debt agreements and the Accounting Officer signed the debt agreements.
- 7.5.2 The municipality is, in terms of Section 46(5) of the Local Government: Municipal Finance Management Act, 2003, allowed refinancing its long – term debt for the purpose of saving on the cost of debt. The Accounting Officer must, for this purpose, at least annually and as part of the budget process evaluate and report to the Council on the cost of existing debt and whether re-financing such debt will be beneficial to the municipality. As part of the evaluation the Accounting Officer must determine the types of repayments and whether bullet payments at the end of the debt period and the reasonably determined nett cost thereof will not be more beneficial to the Council if the repayments are invested in sinking funds and the reasonable projected yield on the investments are being brought into account.
- 7.5.3 The Accounting Officer is responsible for the administration of all debt procedures and must take all reasonable steps to ensure debt is being managed in accordance with any auditing requirements as well as any legal requirements including as prescribed in the Local Government: Municipal Finance Management Act, 2003 and in particular Chapter 6 of the Act.
- 7.5.4 The Accounting Officer may delegate the duties attached to debt management as per paragraph 5 of this policy.

7.6 CASH – FLOW BUDGET

- 7.6.1 In order to ensure that the municipality has sufficient cash available to comply with the municipality's commitments to its lenders, creditors, statutory payments and any other commitments, it is necessary to annually compile and submit to Council, as part of the budget documentation, a cash-flow projection for the budget year by revenue-source, broken down per month.

7.7 WORKING CAPITAL MANAGEMENT

- 7.7.1 The Accounting Officer must take all reasonable steps to ensure that the municipality obtains maximum performance on its assets and for this purpose the working capital of the municipality must as far as possible be managed to the maximum benefit of the municipality.
- 7.7.2 An acceptable level for the Bad Debt Reserve is 2:1 or better and the Accounting Officer must take all reasonable steps to ensure that the level is being maintained. In calculating the level, outstanding debtors for a period longer than 90 days as well as any unutilised conditional grants and allocations must be deducted from the current assets and liabilities and inventories must be brought into account at the lower of cost and nett realisable value. The exercise to provide for a sufficient level of working capital must be done as part of the budget process in order to budget accordingly. Inventory levels for own use, must be kept as low as possible, creditors must be paid within 30 days of date of receipt of invoice or statement, whichever is the latest or applicable but as late as possible but with due regards to possible discounts on offer and all steps, consistent with the Council's Credit Control and Debt Collection Policy, must be taken to recover moneys due to the municipality.
- 7.7.3 The Accounting Officer must, as part of the monthly reporting to the Mayor within 10 working days of the end of each month, report on:
- 7.7.3.1.1 The combined nett balance of the bank and investment accounts of the municipality excluding any balances of unutilised conditional grants, trust moneys kept in accordance with trust deeds, Sinking Fund Investments made in accordance with any loan- or other agreements with investors/lenders, other conditional funds for which moneys were received in accordance with Section 12 of the Act, Debt Guarantee Reserve Funds and other cash- backed funds for which spending authority must be obtained from other persons or spheres of government.
 - 7.7.3.1.2 Whether all commitments and accounts had and can be paid on time from the nett balance above and nett realisable accounts receivable.

- 7.7.3.1.3 Whether there is a nett outflow of cash not in accordance with the cash-flow budget.
 - 7.7.3.1.4 Whether all of the above might cause a financial problem on which the Mayor must act in accordance with the provisions of the Act.
- 7.7.4 The Mayor must, within 30 days of the end of each quarter, report to the municipal council on the above, and, in the case of identifying a financial problem, promptly inform the council and act in accordance with the provisions of the Act.

7.8 CASH PROCEDURES

7.8.1 Payments received at the Municipal Cashiers, Traffic and Amenities / Resorts.

7.8.1.1 Internal Controls:

- 7.8.1.1.1 Segregation of duties (Cashier and Banker);
- 7.8.1.1.2 Rotation and switching of Cashiers, must be preceded by a cash up procedure (including the float on hand)
- 7.8.1.1.3 Cash float values should be recorded;
- 7.8.1.1.4 Cash floats should be periodically reviewed and should be sample checked on a daily basis;
- 7.8.1.1.5 Shortages and surpluses in cash should be recorded.

7.8.1.2 Issuing of Receipts:

- 7.8.1.2.1 All payments (including payments received in the mail) should be accompanied by a computer generated receipt.
- 7.8.1.2.2 Receipts numbers should be sequential and missing sequences should be accounted for.
- 7.8.1.2.3 Original receipts must be given to the customer.
- 7.8.1.2.4 A duplicate computer generated receipt should be printed for the audit and paper trail purposes.
- 7.8.1.2.5 The following should appear on a computer generated receipt –
 - 7.8.1.2.5.1 Date on which the receipt was issued;
 - 7.8.1.2.5.2 Amount for which the receipt was issued;
 - 7.8.1.2.5.3 Cashier responsible for issuing the receipt;
 - 7.8.1.2.5.4 Vote or Account to which the payment is to be credited;
 - 7.8.1.2.5.5 Type of payment transaction (cash, cheque, debit order, etc.); and
 - 7.8.1.2.5.6 Computer generated receipt number.

7.8.1.3 Cancellation of Receipts:

- 7.8.1.3.1 Receipts that are cancelled are to be clearly marked with cancelled written across the face of the receipt.
- 7.8.1.3.2 Cancelled receipts are to include the original receipt (attached to transaction report).
- 7.8.1.3.3 Reasons for the cancellation are to be marked on the cancellation summary and should include the signatures of the cashier and banker / senior cashier.
- 7.8.1.3.4 The transaction trail for the Cashier for the day should be reconciled to the number of cancelled receipts on hand.

7.8.1.4 Cash Balancing:

- 7.8.1.4.1 The deposit bags must be collected by no later than 10h00 on every business day. The Senior Cashier must report any problems experienced in this regard to the Accountant immediately.
- 7.8.1.4.2 Cash on hand should be counted and the cash float should be removed before balancing to the computer records for the receipts of the day, for a given cashier.
- 7.8.1.4.3 Cash received for the day is keyed into the computer system for each note and coin denomination and for cheques and postal orders.
- 7.8.1.4.4 Balancing of the cash on hand to the computer records must be performed by means of reconciliation before closing of offices everyday.
- 7.8.1.4.5 The Senior Cashier is responsible for ensuring that the records balance.
- 7.8.1.4.6 Shortages must be paid in within 24 hours by the Cashier and surpluses are immediately receipted into the cashier surplus vote.
- 7.8.1.4.7 The Senior Cashier amends the cash received on the computer printout and the correct totals are banked.
- 7.8.1.4.8 Cashiers bank deposit is checked by the Senior Cashier and placed in the deposit bag; the deposit bag is sealed under supervision of the Senior Cashier, before close of day.
- 7.8.1.4.9 Bank deposits are locked in the safe of the senior Cashier for collection by the security firm, the following day.
- 7.8.1.4.10 The Cashiers float is locked away in the other save.
- 7.8.1.4.11 Daily day end cash-up procedures must be completed before the Cashier and Senior Cashier may leave the municipal premises.

The number on the deposit bag is recorded in the cash register.

7.8.1.4.12 The Security firm responsible for lifting and banking the municipal takings records the bag number in their records and the Senior Cashier and the Security firm representative sign the documentation as receipt of the takings from the Municipality to the Security firm for banking purposes.

7.8.1.4.13 All the documentation of a cashier for each day, including daily summary sheet, cancelled receipts, signed cancellation form, canister deposit slips, stamped bank deposit slip, etc. must be kept together in a file for audit purposes. This file may only be taken out of the Senior Cashiers office after signing a register with the necessary motivation.

7.8.1.4.14 All Cashiers takings must be entered into a cash register daily and the Senior Cashier and Accountant must sign it. This register or copies of it must be used for reconciliation done by other departments.

7.8.1.4.15 As the cashier is responsible for the cash he/she must at all times ensure that the cash is his/her possession is safely locked away.

7.8.1.4.16 No person other than the cashier, Snr cashier or accountant is allowed in the cashier cubicle.

7.8.1.5 Deposit Books for Municipal Takings:

7.8.1.5.1 The deposit book serves as an agreement between the municipality and the bank of the funds forwarded to the bank for deposit purposes, into the appropriately defined municipal banking account.

7.8.1.5.2 Completion of deposit slips (in ink), by the Cashier, must be appropriate, comprehensive and accurate.

7.8.1.5.3 The deposit book sheets are in triplicate –

7.8.1.5.3.1 Original for the bank;

7.8.1.5.3.2 Copy 1 for the Cashier; and

7.8.1.5.3.3 Copy 2 fast copy (book).

7.8.1.5.4 The original and copy of the deposit books are forwarded to the bank for stamping purposes.

7.8.1.5.5 On return from the bank the stamped deposit slips are reviewed by the Senior Cashier to follow-up on any discrepancies.

7.8.1.5.6 The stamped deposit slips are attached to each of the cashier's daily summary sheets.

7.8.2 Other Payment Methods

These relate to other payment mediums such as internet banking, direct deposits, ACB's, Post Office Transactions, Pick 'n Pay, Easi Pay, etc.

7.8.2.1 Direct Deposits:

7.8.2.1.1 These transactions are handled by the Senior Clerk: Finance.

7.8.2.1.2 A summary is prepared and the sundry transactions are captured into the receipting system by a Cashier.

7.8.2.1.3 Balancing between the Senior Clerk: Finance summary and the cashier transactions summary is completed.

7.8.2.2 Third Party (Easi Pay / Pick 'n Pay, Pay@ and Post Office) Transactions:

7.8.2.2.1 All payments are handled by the Accountant by means of an internet download and transfer to the Promun System.

7.8.2.2.2 The Senior Clerk within the Financial Information Section transfers the payments received from the third parties to the Debtors System.

7.8.2.2.3 Balancing of the third party transaction totals to the Bank totals received by the Accountant is completed by the Senior Clerk who completes the cashbook reconciliation.

7.8.2.2.4 Variances are followed up by the Senior Clerk – Financial Information Section.

7.8.2.2.5 The serial numbers of receipt transfers from the institutions must be checked on a daily basis by accountant to ensure that all receipts/deposits are transferred to the Municipality on a daily basis. These serial numbers must be recorded by the accountant and any discrepancies must be followed up on a daily basis by the accountant.

7.8.2.3 Cheque Deposit Box:

7.8.2.3.1 The Senior Clerk empties the cheque deposit box daily.

7.8.2.3.2 A register of all cheques received are written up by the Senior Clerk.

7.8.2.3.3 The register includes the following details –

7.8.2.3.3.1 Client name

7.8.2.3.3.2 Cheque number

7.8.2.3.3.3 Amount

7.8.2.3.3.4 Account holders name

7.8.2.3.3.5 Date of cheque

7.8.2.3.3.6 Date cheque was received

7.8.2.3.3.7 Receipt number (completed by the cashier upon receiving the funding)

7.8.2.3.4 Periodically and on a sample basis the cheque register is reviewed by the Accountant of the section to ensure accuracy and allocation was correct and to verify that the register is appropriately updated with the receipt number allocated to the transaction.

7.8.2.4 Mailed Cheques:

7.8.2.4.1 Similar to the process above the Records / Archiving section keep a register of all cheques received.

7.8.2.4.2 Mail is opened by two persons and the register of cheques is written up.

7.8.2.4.3 The Records / Archiving Section deliver the register and cheques to the Income Section for receipting and capturing.

7.8.2.4.4 The Cashier upon receipting records the receipt number in the register.

7.8.2.4.5 The Banker / Senior Cashier and Accountant of the section review the register to ensure accuracy and allocation was correct and to verify that the register is appropriately updated with the receipt number allocated for the transaction.

7.8.2.5 Legal Tender:

According to the South African Reserve Bank Act Number 90 of 1989 a Legal Tender refers to banknotes or coin that may be legally offered in payment of an obligation and that a creditor is obliged to accept.

Any amount in banknotes may be offered for payment. In the case of coin, the acceptable amount per individual transactions, is equal to the total amount, not exceeding the following:

- fifty rand, where coin of the denomination of one rand or higher are so tendered;
- five rand, where coin of denominations of ten cents up to and including fifty cents are so tendered;
- fifty cents, where coin of the denomination of five cents or less are so tendered; and
- the value of each coin so tendered shall be equal to the amount specified on that coin.

8. INVESTMENTS

8.1 INVESTMENT MANAGEMENT

- 8.1.1 The Accounting Officer is responsible for the administration of all investment procedures and must take all reasonable steps to ensure investments are being managed in accordance with any auditing requirements as well as any legal requirements including as prescribed in the Local Government: Municipal Finance Management Act, 2003 and in particular Section 13 of the Act.
- 8.1.2 The Accounting Officer may delegate the duties attached to investments as per paragraph 5 of this policy.
- 8.1.3 In order to ensure that the Accounting Officer or any person delegated in terms of paragraph 5 complies with this policy in terms of investments and to capacitate the municipality further, the Accounting Officer may contract an Investment Manager who is a natural person or legal entity that is a portfolio manager registered in terms of the Financial Markets Control Act (Act No. 55 of 1989) and Stock Exchanges Control Act (Act No. 1 of 1985). The Investment Manager must advise the Accounting Officer or delegated officials on investments and may manage investments on the municipality's behalf, subject to any conditions and controls the Accounting Officer may determine, examples this investment and cash management policy.

8.2 INVESTMENT ETHICS

- 8.2.1 All functionaries in the investment management process must act with fidelity, honesty, integrity and in the best interest of the municipality and must seek, within the spheres of influence of the functionaries, to prevent any prejudice to the investments of the municipality.
- 8.2.2 No functionaries in the investment management process may use their position or privileges of, or confidential information obtained as, functionary in the process for personal gain or to improperly benefit another person. Interest rates quoted by one institution should never be disclosed to another.
- 8.2.3 No person contracted by the municipality for the purpose of investments or no person submitting quotes, bids or any other means of competitive submissions may, either directly or through a representative or intermediary promise, offer or grant any reward, gift, sponsorships, loan, bursary, favour or hospitality to –

- 8.2.3.1 any official, spouse or close family member of such official or spouse; and
- 8.2.3.2 any councillor, spouse or close family member of such councillor or spouse.
- 8.2.4 The Accounting Officer must promptly report to the Mayor and National Treasury any alleged contravention of the above and may make recommendations as to whether the alleged offending party should be listed on the National Treasury's database of persons prohibited from doing business with the public sector. Any such report by the Accounting Officer must give full details of the alleged breach and a written response from the alleged offending party, as well as proof that the alleged offending party received the allegations in writing and were given at least 7 (seven) working days to respond, in writing, to the allegations.
- 8.2.5 Any sponsorship promised, offered or granted to the municipality must promptly be disclosed to the National Treasury.
- 8.2.6 Investments by a municipality or municipal entity, or by an investment manager on behalf of a municipality –
 - 8.2.6.1 Must be made with such judgment and care, under the prevailing circumstances, as a person of prudence, discretion and intelligence would exercise in the management of that person's own affairs;
 - 8.2.6.2 May not be made for speculation but for investment; and
 - 8.2.6.3 Must in the first instance be made with primary regard being to the probable safety of the investment, the second instance to the liquidity needs of the municipality or entity and lastly to the probable income derived from the investment.

8.3 INVESTMENT OBJECTIVES

8.3.1 Objective 1 – Security

The first and foremost objective for investments is the preservation and safety of the principal amount invested. It is a requirement that investments may only be made with institutions with a national credit – worthy rating of F1 and higher for short term investments (0 – 12 months) and AA and higher for long term investments (more than 12 months). Any investments made must be liquidated if an institution's credit– worthy rating falls below the level of F1 for short term and AA for long term.

8.3.2 Objective 2 - Liquidity

The cash – flow budget must be used as an instrument in determining liquidity needs. Other factors such as the payment runs for creditors, dates for salary and statutory payments and dates for debt repayments must also be brought into account to ensure cash requirements, and resultant investment periods, are being calculated to such an extent that maximum yield on surplus cash can be obtained.

8.3.3 Objective 3 - Yield

It is necessary to ensure optimal yield on the municipality's investments, but a higher yield should never increase the risk of preservation and safety of the principal amount invested or not meeting cash – flow requirements. Where an institution has a sudden increase above the average market increase in investment returns, the Accounting Officer must determine whether the institution is in liquidity or financial problems, and in such an instance liquidate the investments with such an institution as soon as possible.

8.4 TYPES OF INVESTMENT ACCOUNTS

8.4.1 The following cash – backed investment accounts should be established:

- 8.4.1.1 General surplus cash
- 8.4.1.2 Capital replacement reserve fund
- 8.4.1.3 Accumulated leave fund
- 8.4.1.4 Trust funds where a trust- deed exist
- 8.4.1.5 “Allocation “ funds as described in Section 1 of the Local Government: Municipal Finance Management Act, 2003, but excludes the equitable share
- 8.4.1.6 Sinking funds, if applicable
- 8.4.1.7 Debt guarantee reserve fund, if applicable
- 8.4.1.8 Post retirement benefits funds – current portion
- 8.4.1.9 Self – insurance reserve, if applicable
- 8.4.1.10 Housing development funds

8.4.2 Where a Trust Deed prescribes how the trust money is to be invested, the prescriptions in the Trust Deed will prevail over this policy.

8.4.3 It is a general principle, the higher the investment the better the yield, and for this purpose the Accounting Officer should combine as much cash allocated to the above funds as possible, and invest it together. Yield should then be allocated according to the capital of the individual cash – backed funds, through the Statement of Financial Performance.

8.5 APPROVED INVESTMENTS

- 8.5.1 Investments should be structured according to the best yield available and the liquidity needs of the municipality. This can include Call Deposits, Fixed Term Deposits and Endowment Policies for the purpose of Sinking Funds only. Sinking funds must be created for the purpose of bullet – payment loans and to provide for future commitments such as building enough cash to be able to cover post – retirement benefits in full.

8.6 QUALIFYING INSTITUTIONS

- 8.6.1 It is of utmost importance that the investments only be placed with credit-worthy institutions with a national credit – rating of F1 and higher for short term (0 -12 months) credit ratings and AA and higher for long term (more than 12 months) credit ratings - refer to Appendix “C”.
- 8.6.2 Fitch and or CA ratings to be obtained of all investment institutions before a financial institution may be considered for investing funds.
- 8.6.3 Ratings must be updated regularly or when there has been structural change in the market or at the particular institution.
- 8.6.4 The optimal combination of the most favourable rated institution and the institution offering the best returns for the investment sought, should be the determining factor when choosing the institution.
- 8.6.5 The following investments are permitted:
- 8.6.5.1 Securities issued by National Government
 - 8.6.5.2 Listed corporate bonds with an investment grade rating from a nationally or an internationally recognized credit rating agency
 - 8.6.5.3 Deposits with banks registered in terms of the Banks Act, 1990 (Act 94 of 1990)
 - 8.6.5.4 Deposits with the Public Investment Commissioners as Contemplated by the Public Investment Commissioners Act, 1984 (Act 45 of 1984)
 - 8.6.5.5 Deposits with the Corporation for Public Deposits as contemplated by the Corporation for Public Deposits Act. 1984 (Act 46 of 1984)
 - 8.6.5.6 Banker’s acceptance certificates or negotiable certificates of deposit of banks registered in terms of the Banks Act, 1990 (Act 94 of 1990)
 - 8.6.5.7 Guaranteed endowment policies with the intention of establishing a sinking fund
 - 8.6.5.8 Repurchase agreements with banks registered in terms of the Banks Act, 1990 (Act 94 of 1990)
 - 8.6.5.9 Municipal Bonds issued by the municipality
 - 8.6.5.10 Any other as might be approved by the Minister of Finance

8.7 INVESTMENT DIVERSIFICATION

- 8.7.1 Without limiting the Accounting Officer to any specific amount or percentage of investments, it is hereby established that investments made by the municipality should be diversified as much as possible between different institutions, maturity dates and types, but nothing prevents the Accounting Officer from investing more cash with an institution than by another institution with due regards to the standard of care and objectives set in this policy. Not more than 50% of the total investments should be invested with one institution.
- 8.7.2 Having determined that funds are available for investment and the maximum period for which the funds may be invested, the Chief Financial Officer (CFO) (or his delegated nominee in the treasury and budget section) needs to consider the manner in which the investments are placed. As rates can vary according to the money market perception related to the term of the investment, there is merit in obtaining quotes for periods within the maximum determined.

8.8 COMPETITIVE SELECTION OF BIDS OR OFFERS

- 8.8.1 In establishing where investments must be made, written quotations must be obtained by the Accounting Officer from all the institutions listed in paragraph 8.6 above and as approved by Council. The Accounting Officer may not divulge interest rates to other institutions during the quotation process. If Investments Managers use treasury desks for the purpose of obtaining quotations, the quotations, with a written reason why a specific institution was chosen if the yield is lower than that of another institution, must be forwarded to the Accounting Officer, who must evaluate the reasons and issue such instructions as deemed necessary.
- 8.8.2 Before placing funds externally, consideration must be given to whether the funds cannot be utilised at an equivalent rate to substitute external borrowing, as there is normally a margin between the rate at which local authorities can borrow funds and the rate at which investments can be made over similar periods.
- 8.8.3 Where funds are held in current account, it is possible and good practice to negotiate deposits at more beneficial rates, e.g. call deposits.
- 8.8.4 These rates can normally be bettered by fixed terms investments. The over – riding principle is that funds in the current account must be kept to the absolute minimum.

8.9 CALL AND FIXED DEPOSIT PROCEDURES

- 8.9.1 Quotations should be invited from all approved financial institutions for the term for which the investment is to be placed. In the event of one of the financial institutions offering a more beneficial rate for an alternative term, the institutions invited to quote should be approached for their rates on the alternative term.
- 8.9.2 It is acceptable to obtain telephonic quotations that should be confirmed by fax, as in most instances, rates can change quite regularly on a daily basis and time is of the essence when placing funds.
- 8.9.3 The person responsible for calling for quotations from institutions should not mention the name of the institution, the person who has given the telephonic quote, and the terms and interest applicable, e.g. whether interest is payable monthly or on maturity. Written confirmation of the quote accepted should be obtained.
- 8.9.4 Having obtained the necessary quotations, the decision needs to be made regarding the best terms offered and the institution with whom the investment is to be placed. With due regard to the investment principles, it is customary to accept the best offer made (but subject to the total amount already invested with such institution) and no further negotiations are to be entered into with any of the persons who have tendered their investment rates and terms in an effort to try and push up one against the other.
- 8.9.5 Having been invited to quote on a particular package, institutions should be advised that they must offer their best rate when they respond and that no further negotiation or discussion will be entered into.
- 8.9.6 The above procedure should be followed whether placing one's monies on a fixed investment or on a call basis.
- 8.9.7 As a standard practice investment are only made directly with the Banks and not through intermediaries.
- 8.9.8 Certain agents indicate that they can obtain quotations and act on the investors behalf with the various institutions, in order to obtain the best rate. In the event of use being made of an agent, this should not be the sole quotation received, and the Treasury Section may still obtain independent quotation from financial institutions.

- 8.9.9 In the event of an investment being made through an agent, it is essential to ensure that the paper received is an authentic paper issued by an approved financial institution, and the investment payment must only be made to the institution in which the investment will be made and not to the agent concerned.
- 8.9.10 Once a schedule of investment options has been prepared a decision should be taken by the Chief Financial Officer (CFO) or his delegated on the appropriate institution for investment.
- 8.9.11 The necessary documents for investing purposes should be completed and the investment should be authorised by two signatories, preferably not the same two signatories that authorise the cheque or electronic funds transfer for payment.
- 8.9.12 An investment register should be maintained, defining the following detail –
- 8.9.12.1 Institutions, per institution;
 - 8.9.12.2 Institution percentage held as a percentage of the total municipal investment portfolio;
 - 8.9.12.3 Type of investment;
 - 8.9.12.4 Investment time period / lifespan;
 - 8.9.12.5 Amount invested;
 - 8.9.12.6 Interest percentage receivable on the investment;
 - 8.9.12.7 Engagement date;
 - 8.9.12.8 Maturity date; and
 - 8.9.12.9 Projected interest yield on maturity.
- 8.9.13 In accordance with the provincial notice on archiving, investment records are to be retained by the Municipality for an indefinite period - refer to Appendix “D”.

8.10 COMMISSIONS OR COSTS

- 8.10.1 No commission for investments made or referred is payable to an official or councillor, or spouse, business partner or close family member of an official or councillor by an institution or investment manager.
- 8.10.2 Any commissions, other rewards or costs paid to an investment manager by an institution must be declared to the municipality by the institution and Investment Manager by way of certificates. Any quotation given to the municipality by an institution or Investment Manager must be net of costs, rewards or commissions, but must also indicate the commissions, rewards or costs which will be paid in respect of the investments.

8.11 PERFORMANCE

- 8.11.1 The Accounting Officer must annually measure and report to the Council on the performance
 - 8.11.1.1 Investments in terms of the stipulated objectives of this Policy; and
 - 8.11.1.2 Investment Managers in terms of the stipulated objectives of this policy.

8.12 FORBIDDEN ACTIVITIES

- 8.12.1 No investments may be made other than in the name of the Municipality.
- 8.12.2 Money may not be borrowed for the purpose of investments
- 8.12.3 No person, including officials and councillors, may interfere or attempt to interfere in the management of investments entrusted to the Accounting Officer or persons delegated by the Accounting Officer including with the Investment Managers.
- 8.12.4 No investments may be made other than be denominated in Rand and which is not indexed to, or affected by, any fluctuations in the value of the Rand against any foreign currency.

8.13 REPORTING

- 8.13.1 The Accounting Officer must, in addition to the reporting in paragraph 7.7 above, within 10 working days of the end of each month submit to the Mayor a report describing in detail the investment portfolio of the municipality as at the end of the month.
- 8.13.2 The report referred to above must contain at least a statement, prepared in compliance with Generally Recognised Accounting Practice (GRAP), as amended from time to time, that gives the
 - 8.13.2.1 Beginning market value of each investment for the month;
 - 8.13.2.2 Additions and changes to the investment portfolio for the month;
 - 8.13.2.3 Ending market value of each investment for the month; and
 - 8.13.2.4 Fully accrued interest/yield for the month.

8.13.3 The Accounting officer in making investments, must remind the relevant institutions of the institutions' legal reporting responsibilities in terms of Sections 13 (3) and 13 (4) of the Local Government: Municipal Finance Management Act, 2003 and must get a certificate from the institutions that the institutions will comply with the Act. A single certificate per institution for any current and future investments may be obtained and must be kept on the municipality's investment file.

9. REVIEW OF THE POLICY

9.1 This Cash Management and Investment Policy is the sole policy governing cash management and investments in the municipality. The Municipal Council must approve any reviews to this policy.

9.2 The Mayor must submit any proposed changes to this policy to the Council as part of the annual review of policies submitted with the budget documentation.

9.3 Whenever the Minister of Finance or the National Treasury or the Auditor-General requires changes to the policy by means of legislation or requests it should be reviewed promptly in accordance with such requirements, giving full details of the reasons for the revision.



ASSET MANAGEMENT POLICY

MOSSEL BAY MUNICIPALITY
ASSET MANAGEMENT POLICY

DOCUMENT AND VERSION CONTROL

Version: Version 4

Date: May 2012

Summary: This document describes the Asset Management policy that will be applicable to the Mossel Bay Municipality, with effect from

1 July 2012

Signature: _____

Municipal Manager
(Accounting Officer)

Date : _____

Signature: _____

Executive Mayor

Date: _____

Table of Contents

1. OBJECTIVE.....	1
2. BACKGROUND.....	1
3. DEFINITIONS	2
4. STATUTORY AND REGULATORY FRAMEWORK.....	5
5. RESPONSIBILITIES AND ACCOUNTABILITIES.....	5
6. FINANCIAL MANAGEMENT	7
6.1 Pre-Acquisition Planning	7
6.2 Approval to Acquire Property Plant and equipment.....	8
6.3 Funding of capital projects	8
6.4 Disposal of assets	8
6.5 Loss, theft, destruction or impairment of assets	10
7. INTERNAL CONTROLS.....	10
7.1 Asset Register.....	10
7.1.1 Establishment and management of the Asset Register	10
7.1.2 Contents and maintenance of the Asset Register.....	10
7.1.3 Internal Controls over the Asset Register.....	12
7.2 Physical Controls and Management	12
7.2.1 Responsibilities of the Senior Accountant : Assets.....	12
7.2.2 The date of acquisition	12
7.3 Transfers between Managers.....	12
7.3.1 Permanent transfers to another Manager	12
7.3.2 Relocation or Reassignment of Assets.....	13
7.4 Verification of Assets	13
7.5 Insurance of assets	13
8. MANAGEMENT AND OPERATION OF ASSETS	14
8.1 Accountability to manage assets	14
8.2 Strategic asset management plan.....	14
8.3 Reporting on Impeding Issues.....	15
9 CLASSIFICATION, AGGREGATIONS & COMPONENTS	15
9.1 Classification of assets	15
9.2 Optional Treatment for Major Components	16
10 ACCOUNTING FOR ASSETS	17
10.1 Recognition of assets.....	17
10.2 Initial measurement	17
10.3 Donations or exchanges	18
10.4 Carrying amount of assets.....	18

10.5	Depreciation	18
10.6	Initial determination of useful life.....	19
10.7	Review of useful life and residual value	20
10.8	Review of depreciation method.....	21
10.9	Subsequent expenditure on assets.....	21
10.10	Impairment losses	22
10.11	Subsequent increase in recoverable amount.....	23
10.12	Accounting treatment on Disposal.....	23
10.13	Reinstatement, maintenance and other expenses.....	24
10.14	Assets held under leases	25
10.15	Investment property	25
10.16	Assets treated as inventory	26
10.17	Recognition of heritage assets in the asset register	26
10.18	Other write-offs of assets.....	26
10.19	Agricultural assets.....	27
11.	MAINTENANCE OF ASSETS.....	27
11.1	Maintenance plans.....	Error! Bookmark not defined.
11.2	General maintenance of Assets.....	27
13	FINANCIAL DISCLOSURE.....	27
	INDICATIVE USEFUL LIFE OF ASSETS.....	29

1. OBJECTIVE

- To ensure the effective and efficient control of the municipality's assets through – (a) proper recording of assets from authorisation to acquisition and to subsequent disposal, (b) providing for safeguarding procedures, (c) setting proper guidelines as to authorised utilisation, and (d) prescribing for proper maintenance.
- To assist officials in understanding their legal and managerial responsibilities with regard to assets.

2. BACKGROUND

- The proper utilisation and management of assets is one of the prime mechanisms by which a municipality can fulfil its constitutional objectives for:
 - Delivery of sustainable services;
 - Promotion of Social and economic development;
 - Promoting a safe and healthy environment and,
 - Providing for the basic needs to the community.
- The municipality has a legal and moral obligation to ensure it implements policies to provide for the effective and efficient usage of its assets over the useful life thereof.
- The asset management policy deals with the municipal rules required to ensure the enforcement of appropriate stewardship of assets.
- Stewardship has three components being the:
 - Management, utilisation and control by the Municipal Officials.
 - Financial administration by the Chief Financial Officer, and
 - Physical administration by the Senior Accountant : Assets
- Statutory provisions exist to protect public property against arbitrary and inappropriate management or disposal by a local government.
- Accounting standards are set to ensure the appropriate financial treatment for property, plant and equipment. The requirements of these accounting standards include:

- ° The compilation of asset registers recording all assets controlled by the municipality.
- ° Accounting treatment for the acquisition, disposal, recording and depreciation of property, plant and equipment.
- ° The standards to which these financial records must be maintained.

3. DEFINITIONS

“**Accounting Standards Board**” was established by the Public Finance Management Act to set standards of Generally Recognised Accounting Practice (GRAP) as required by the Constitution of the Republic of South Africa.

“**Amortisation**” is the systematic allocation of the depreciable amount of an intangible asset over its useful life.

“**Assets**” are resources controlled by the municipality as the result of past events and from which future economic benefits or future service potential are expected to flow to the municipality and for the purpose of this policy refers to property, plant and equipment but excludes Investment Properties.

“**Asset categories**” are the six main asset categories defined as follows:

- **Infrastructure assets** – are defined as any asset that is part of a network of similar assets. Examples are roads, water reticulation schemes, sewage purification and trunk mains, transport terminals and car parks.
- **Community assets** – are defined as any asset that contributes to the community’s well-being. Examples are parks, libraries and fire stations.
- **Heritage assets** – are defined as culturally significant resources. Examples are works of art, historical buildings and statues.
- **Investment properties** – are defined as properties that are acquired for economic and capital gains. Examples are office parks and under-developed land acquired for the purpose of resale in future years.
- **Intangible assets** – are identifiable assets without physical substance.
- **Other assets** – are defined as assets utilised in normal operations. Examples are plant, equipment, motor vehicles and furniture and fittings.

“Asset register” is the control register recording the financial and other key details for all municipal assets recognised in accordance with this policy

“Basic Municipal Services” means a municipal service that is necessary to ensure an acceptable and reasonable quality of life and which, if not provided, would endanger public health or safety or the environment.

“Capitalisation” is the recognition of expenditure as an Asset in the financial records and in the Asset Register.

“Carrying amount” is the amount at which an asset is included in the financial statements after deducting any accumulated depreciation and accumulated impairment thereon from the recorded value thereof.

“Control items” are items of assets that are not significant enough for financial recognition but are valuable enough to warrant special safeguarding.

“Cost” is the amount of cash or cash equivalents paid, or the fair value of the other consideration given or received to acquire an asset at the time of its acquisition or construction.

“Cost of acquisition” is all the costs incurred in bringing an asset item to the required condition and location for its intended use.

“Depreciation” is the systematic allocation of the depreciable amount of an asset over its useful life.

“Depreciable amount” is the cost of an asset, or other amount substituted for cost in the financial statements, less its residual value.

“Fair value” is the amount for which an asset could be exchanged between knowledgeable willing parties in an arm’s length transaction.

“Fixed asset register” (FAR) is the control register recording the financial and other key details for all municipal assets recognised in accordance with this policy.

“GRAP” is Standards of Generally Recognised Accounting Practice

“Impairment loss” of a cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable amount.

“Impairment loss” of a non-cash-generating asset is the amount by which the carrying amount of an asset exceeds its recoverable service amount.

“Manager” means each senior manager and each municipal official exercising financial management responsibilities.

“Prescribe” means as prescribed by the Minister of Finance by regulation.

“Property, plant and equipment” (PPE) means tangible assets that:

- (a) are held by a municipality for use in the production or supply of goods or services, for rental to others, or for administrative purposes, and
- (b) are expected to have a useful life extending for more than one financial year.

“Recoverable amount” is the amount that the municipality expects to recover from the future use of an asset, including its residual value on disposal.

“Residual value” is the net amount which the entity expects to obtain for an asset at the end of its useful life after deducting the expected costs of disposal.

“Senior Management” means officials who are responsible for managing the respective votes of the municipality and to whom powers and duties for this purpose have been delegated in terms of section 79 of the MFMA.

“Useful life” is either:

- (a) The estimated period of time over which the future economic benefits or future service potential embodied in an asset are expected to be consumed by the municipality.

Or

- (b) The estimated total service potential expressed in terms of production or similar units that is expected to be obtained from the asset by the municipality.

4. STATUTORY AND REGULATORY FRAMEWORK

This policy must comply with all relevant legislative requirements including:

- The Constitution of the Republic of South Africa, 1996
- Municipal Structures Act, 1998
- Municipal Systems Act, 2000
- Division of Revenue Act (enacted annually)
- Municipal Finance Management Act No 56 of 2003

Also, this policy must comply with the standards specified by the Accounting Standards Board. The relevant currently recognised accounting standards include:

- GRAP 17 - Property, plant equipment;
- GRAP 16 – Investment Properties;
- GRAP 100 – Non-current assets held for sale
- GRAP 101 - Agriculture; and
- GRAP 102 – Intangible Assets;
- GRAP 103 – Heritage Assets.

This policy does not overrule the requirement to comply with other policies such as Supply Chain Management or Budget policies.

5. RESPONSIBILITIES AND ACCOUNTABILITIES

The Accounting Officer is responsible for the management of the assets of the municipality, including the safeguarding and the maintenance of those assets.

The Accounting Officer must take all reasonable steps to ensure that:

- The municipality has and maintains a management, accounting and information system that records all the assets of the municipality;
- The municipality's assets are valued in accordance with recognised standards as prescribed by statutes and/or regulations;
- That the municipality has and maintains a system of internal control of assets, including an asset register; and
- That Senior Management complies with this policy.

The Chief Financial Officer is responsible to the Accounting Officer to ensure that the financial investment in the municipalities' assets is properly recorded.

The Chief Financial Officer must take all reasonable steps to ensure that:

- Appropriate systems of financial management and internal controls are established and carried out diligently;
- The financial and other resources of the municipality are utilised effectively, efficiently, economically and transparently;
- Any unauthorised, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented;
- The systems, processes and registers required to substantiate the financial values of the municipality's assets are maintained to standards sufficient to satisfy the requirements of all statutes;
- Financial processes are established and maintained to ensure the municipality's financial resources are optimally utilised through appropriate asset plans, budgeting, purchasing, maintenance and disposal decisions;
- The Accounting Officer is appropriately advised on the exercise of powers and duties pertaining to the financial administration of assets;
- The Senior Managers and senior management teams are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets;

The Chief Financial Officer may delegate or otherwise assign responsibility for performing these functions but will remain accountable for ensuring these activities are performed.

The Managers must take all reasonable steps to ensure that:

- Appropriate systems of physical management and controls are established and carried out for assets in their areas of responsibility;
- The municipal resources assigned to them are utilised effectively, efficiently, economically and transparently;
- The assets under their control are appropriately safeguarded and maintained to the extent necessary and that risk management systems are in place and applied.

- Any unauthorised, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented;
- The asset management systems and controls can provide an accurate, reliable and up to date record of assets under their control.
- They are able to justify that their asset plans, budgets, purchasing, maintenance and disposal decisions optimally achieve the municipality's strategic objectives.
- The purchase of assets complies with all municipal policies and procedures.
- All moveable property, plant and equipment is duly processed and identified and inspected as being in order before it is received into their stewardship.
- All moveable assets received into their stewardship are appropriately safeguarded against inappropriate use or loss. This will include control over the physical access to these assets and regular stock takes to ensure that no losses have occurred. Any known losses should be immediately reported to the Chief Financial Officer.
- Assets are appropriately utilised for the purpose for which the municipality acquired them.

The Manager may delegate or otherwise assign responsibility for performing these functions but will remain ultimately accountable for ensuring these activities are performed.

6. FINANCIAL MANAGEMENT

6.1 Pre-Acquisition Planning

- Before a capital project is included in the budget for approval, the Manager must demonstrate and the Council must consider;
 - The projected cost over all the financial years until the project is operational;
 - The future operational costs and revenue of the project, including tax and tariff implications;
 - The financial sustainability of the project over its life including revenue generation and subsidisation requirements;

- The physical and financial stewardship of that asset through all stages in its life including acquisition, installation, maintenance, operations, disposal and rehabilitation;
- The inclusion of this capital project in the integrated development plan and future budgets: and
- Alternatives to this capital purchase.
- The Chief Financial Officer is accountable to ensure the Managers receive all reasonable assistance, guidance and explanation to enable them to achieve their planning requirements.

6.2 Approval to Acquire Property Plant and equipment

- Expenditure can only be incurred on a capital project if:
 - The funds have been appropriated in the capital budget,
 - The project, including the total cost and funding sources, has been approved by Council,
 - The Chief Financial Officer confirms that funding is available for that specific project, and
 - Any contract that will impose financial obligations beyond two years after the budget year is appropriately disclosed.

6.3 Funding of capital projects

- Within the municipality's ongoing financial, legislative and administrative capacity, the Chief Financial Officer will establish and maintain the funding strategies that optimise the municipality's ability to achieve its strategic objectives as stated in the integrated development plan.
- The acquisition of assets will not be funded over a period longer than the useful life of that asset.

6.4 Disposal of assets

- The municipality may not transfer ownership as a result of a sale or other transaction or otherwise permanently dispose of an asset needed to provide the minimum level of basic municipal services, unless such asset is obsolete or surplus to requirements or beyond a state of good repair or being replaced and provided that the delivery of the minimum level of basic municipal services is not compromised as a result of the disposal of the asset.

- The municipality may transfer ownership or otherwise dispose of an asset other than one contemplated above or moveable assets having an estimated carrying value above R50 000, but only after the Council, in a meeting open to the public:
 - *Has decided on reasonable grounds that the asset is not needed to provide the minimum level of basic municipal services, and*
 - *Has considered the fair market value of the asset and the economic and community value to be received in exchange for the asset.*
- The decision that a specific asset is not needed to provide the minimum level of basic municipal services, may not be reversed by the municipality after that asset had been sold, transferred or otherwise disposed of.
- The disposal of an item of property, plant or equipment must be fair, equitable, transparent, competitive and cost effective and comply with a prescribed regulatory framework for municipal supply chain management and the Supply Chain Management Policy of the municipality.
- The transfer of assets to another municipality, municipal entity, national department or provincial department is excluded from these provisions, provided such transfer is being done in accordance with a prescribed regulatory framework.

The disposal of moveable assets up to a carrying amount of R 50 000 may be authorised under delegated powers by the Accounting Officer after taking the above-mentioned conditions into account.

- Every manager shall report in writing to the Chief Financial Officer on 31 October and 30 April of each financial year on all assets controlled or used by the department concerned which such manager wishes to alienate by public auction or public tender. The Chief Financial Officer shall thereafter consolidate the requests received from the various departments, and shall promptly report such consolidated information to the Council or the Accounting Officer of the municipality, as the case may be, recommending the process of alienation to be adopted.
- Once assets are alienated, the Chief Financial Officer shall adjust the asset register for the current year and shall, for the ensuing year, delete the asset from the accounting records and the asset register.

- All gains and losses realised on the alienation of assets shall be accounted for according to section 11.13 below (Accounting treatment on disposal).

6.5 Loss, theft, destruction or impairment of assets

Every manager shall ensure that any incident of loss, theft, destruction, or material impairment of any asset controlled or used by the department in question is promptly reported in writing to the Chief Financial Officer, to the internal auditor, and – in cases of suspected theft or malicious damage – also to the South African Police Services.

7. INTERNAL CONTROLS

7.1 Asset Register

7.1.1 Establishment and management of the Asset Register

- The Chief Financial Officer will ensure the establishment and maintenance of an asset register containing key financial data on each item of asset that satisfies the criterion for recognition.
- The Senior Accountant : Assets is responsible for establishing and maintaining any additional registers or records to demonstrate to Managers the physical management of assets under their control.

7.1.2 Contents and maintenance of the Asset Register

- The asset register shall be maintained in the format determined by the Chief Financial Officer, which format shall comply with the requirements of GRAP and any other accounting requirements which may be prescribed.

The details in the asset register must include:

- *Description of the asset*
- *Asset identification number*
- *Asset classification*
- *GFS Vote / Sub-vote classification*
- *Source document and dates*
- *Purchase price or historical cost*

- *The measurement used*
- *The depreciation methods used*
- *The useful life of the asset*
- *The residual value of the asset*
- *Depreciation charged*
- *The gross carrying amount*
- *The accumulated depreciation and accumulated impairment*
- *Date of acquisition*
- *Date and value of disposal (if relevant)*
- *Date on which the asset is retired from use, if not disposed of*
- *Increases or decreases resulting from revaluations (if relevant)*

- *Any restrictions on title to the asset and Deed numbers*
- *Location of the asset*

- *The department that controls or uses the asset*
- *Impairment losses incurred during the financial year (and the reversal of such losses, where applicable)*

- *The title deed number, in the case of fixed property*

- All managers under whose control any asset falls shall promptly provide the Chief Financial Officer in writing with any information required to compile the asset register, and shall promptly advise the Chief Financial Officer in writing of any material change which may occur in respect of such information.

- An asset shall be recorded in the assets register as soon as it is acquired. If the asset is constructed over a period of time, it shall be

recorded as work-in-progress until it is available for use, where after it shall be appropriately capitalised as a fixed asset.

- An asset shall remain in the asset register for as long as it is in physical existence. The fact that an asset has been fully depreciated shall not in itself be a reason for deleting it from the register.

7.1.3 Internal Controls over the Asset Register

- Controls relating to the asset register should be sufficient to provide Managers with an accurate, reliable and up-to-date account of assets under their control, in line with the standards specified by the Chief Financial Officer and as required by relevant statutes.
- These controls will include (a) details of the physical management (b) the recording of all acquisitions, assignments, transfers, losses and disposals of assets (c) regular stock-takes and (d) systems audits to confirm the accuracy of the records.
- Identification of assets:

The Chief Financial Officer will establish a system to ensure that each moveable asset bears a unique identification number/ barcode which shall be recorded in the asset register.

Every manager shall ensure that the asset identification system approved for use by the municipality is scrupulously applied to all assets controlled or used by the department in question.

7.2 Physical Controls and Management

7.2.1 Responsibilities of the Senior Accountant : Assets

- The Senior Accountant : Assets will undertake an annual stock take of assets as part of the annual reporting process.

7.2.2 The date of acquisition

- The date of acquisition of assets is deemed to be the time when legal title and control passes to the municipality.
- This may vary for different categories of assets but will usually be the point of time when an asset is brought into use or when final payment for that item is approved.

7.3 Transfers between Managers

7.3.1 Permanent transfers to another Manager

- A Manager may transfer an asset under his control provided that another Senior Manager agrees in writing to accept responsibility for that asset. Copies of such approvals must be submitted to the Finance Directorate.
- The Finance Directorate must appropriately amend the Asset register by recording all approved transfers.
- The Manager to whom the asset is transferred must assume accountability for the transferred asset from a date specified in the written communication referred to above.
- A Manager must ensure that assets are appropriately safeguarded for loss, damage or misuse wherever they are located. Safeguarding includes ensuring reasonable physical restrictions.

7.3.2 Relocation or Reassignment of Assets

- A Manager must advise the Chief Financial Officer, in writing, whenever an asset is relocated or reassigned from the location (or base) or cost centre as recorded in the Asset Register.
- In the case of assets such as vehicles being utilised in the normal course of operations away from its base such reporting is not necessary.

7.4 Verification of Assets

- Every manager shall at least annually undertake a complete physical verification of all assets under his control.
- The results of such verification shall be reported to the Chief Financial Officer in the format as required by the Chief Financial Officer.
- The annual verification should be conducted as close to 30th June as possible with the verification report reaching the Chief Financial Officer by not later than 30th June.

7.5 Insurance of assets

- The Chief Financial Officer shall ensure that all movable assets are insured against loss:
 - (a) Movable assets should at least be covered against fire and theft and

- (b) Municipal buildings and infrastructure assets identified by individual managers should at least be covered against fire and allied perils.
- The Chief Financial Officer shall recommend the insured value to be applied to each type of asset: either the carrying value or the replacement value of the asset concerned. Such recommendation shall take due cognisance of the budgetary resources of the municipality.

8. MANAGEMENT AND OPERATION OF ASSETS

8.1 Accountability to manage assets

- Each Manager is accountable to ensure that municipal resources assigned to him are utilised effectively, efficiently, economically and transparently.

This will entail;

- ° Developing appropriate asset management systems, providing, inter alia, for

- (a) Recording of usage of the asset such as logbooks,
 - (b) Recording of preventative and maintenance programmes
 - (c) Annual assessment of usefulness, condition of asset and remaining useful life,
 - (d) Planning for replacement of asset.
- Managers need to manage assets under their control to provide the required level of service or economic benefit at the lowest possible long-term cost.

8.2 Strategic asset management plan.

The Manager will need to develop such a plan that covers:

- Alignment with the Integrated Development Plan
- Operational guidelines,
- Performance monitoring including benchmarking indicators and measurement,

- Maintenance programmes,
- Renewal, refurbishment and replacements plans,
- Disposal and Rehabilitation plans,
- Operational, financial and capital support requirements, and
- Risk mitigation plans including insurance strategies

The operational budgets are the short to medium term plan for implementing strategic asset management plans.

8.3 Reporting on Impeding Issues

- Each Manager shall report to the Accounting Officer on issues that will significantly impede the assets capacity to provide the required level of service or economic benefit.

9 CLASSIFICATION, AGGREGATIONS & COMPONENTS

9.1 Classification of assets

- Any asset recognised as an asset under this policy will be classified according to nationally recognised categories.
- These categories have been specified by the Accounting Standards Board.
- All assets should be classified under the following headings in the Asset Register:

Property, plant and equipment

- land and buildings, including community asset land and buildings (not held as investment assets)
- infrastructure assets (assets which are part of a network of similar assets)
- community assets (resources contributing to the general well-being of the community)
- heritage assets (culturally significant resources)
- other assets (ordinary operational resources)

Investment property

- investment assets (resources held for capital or operational gain)

The Chief Financial Officer in consultation with the relevant Manager may agree to subdivide these classifications further. This decision will be noted as an amendment to the classification schedule of the municipality and must be endorsed, in writing, by the Accounting Officer, the Chief Financial Officer and the relevant Manager.

Intangible assets

- Assets without physical substance

Non-current assets held for sale

- fixed assets where disposal is expected to be within 12 months of year end

9.2 Optional Treatment for Major Components

- A Manager must, with agreement of the Chief Financial Officer, treat major components of an item of property plant or equipment as a separate asset for the purposes of this policy.
- These major components may be defined by its physical parameters (eg a reservoir or roof) or its financial parameters.
- In agreeing to these treatments the Manager must be satisfied that these components:
 - *Have significantly a different useful life or usage pattern to the main asset,*
 - *Align with the asset management plans,*
 - *Justify the costs of separate identification,*
 - *Have probable future economic benefits or potential service delivery associated with the asset which will flow to the municipality,*
 - *Is such that the cost of the asset to the municipality can be measured reliably,*
 - *Is such that the municipality has control over the asset, and*
 - *Is such that the asset is expected to be used during more than one financial year.*

- All such decisions and agreements will be confirmed before the beginning of the financial year and submitted for approval with the budget. Any amendments will only be permitted as part of a budget review.
- Once a major component is recognised as a separate asset, it may be acquired, depreciated and disposed of as if it was a separate asset.

10 ACCOUNTING FOR ASSETS

10.1 Recognition of assets.

- An item of property, plant or equipment will be recognised as an asset when:
 - *It is probable that future economic benefits or potential service delivery associated with the asset will flow to the municipality,*
 - *The cost of the asset to the municipality can be measured reliably,*
 - *The municipality has control over the asset, and*
 - *The asset is expected to be used during more than one financial year.*

10.2 Initial measurement

- An item of property, plant or equipment that qualifies for recognition as an asset should be initially measured at its “cost of acquisition”.
- The “cost of acquisition” usually includes the following:
 - *Purchase costs (less any discounts given)*
 - *Delivery costs*
 - *Installation costs*
 - *Professional fees for architects and engineers*
 - *Import duties*
 - *Non-refundable taxes*
 - *Site development costs*

- *Contractor fees*
- *Financing costs including capitalised interest for an initial reasonable period and costs of security arrangements for debt.*
- *Discount and fees in connection with financing*
- *Fees for legal, financial, advisory, trustee, credit rating, other services and other costs directly connected to the financing*

10.3 Donations or exchanges

- Where an item of property plant or equipment is acquired at no cost, or for a nominal cost, it will be initially measured at its fair value as at the date of acquisition and included in the asset register.

10.4 Carrying amount of assets

- Subsequent to initial recognition as an asset, an item of property, plant or equipment should be carried at its cost of acquisition less any accumulated depreciation and accumulated impairments, as adjusted for subsequent revaluations or write downs.
- The only exceptions to this rule shall be revalued assets (Land and Buildings and Investment Assets) as well as heritage assets in respect of which no value is recorded in the asset register (see part 11.19 below)

10.5 Depreciation

- All assets, except land, assets under construction and heritage assets, shall be depreciated – or in the case of intangible assets, amortised.
- The depreciable amount of an item of property, plant or equipment should be allocated on a systematic basis over its useful life.
- The depreciable amount of an asset is determined after deducting the residual value of the asset. In practice, the residual value of an asset is often insignificant and, therefore, is immaterial in the calculation of the depreciable amount.
- When the benchmark treatment is adopted and the residual value is likely to be significant, the residual value is estimated at the date of acquisition. The estimate is based on the residual value prevailing at the date of the estimate for similar property assets that have reached the end of their useful lives and have operated under conditions similar to those under which the property asset will be used.

- The depreciation charge for each period will be recognised as an expense against the budget of the relevant Manager.
- The depreciation method used shall reflect the pattern in which the assets' future economic benefits or service potential are expected to erode the value of the asset.
- A variety of depreciation methods can be used to allocate the depreciable amount of an asset on a systematic basis over its useful life. These methods include
 - (a) the straight-line method,
 - (b) the diminishing balance method and
 - (c) the units of production method.
- Straight-line depreciation results in a constant charge over the useful life if the asset's residual value does not change.
- The diminishing balance method results in a decreasing charge over the useful life.
- The units of production method results in a charge based on the expected use or output.
- The method of depreciation is applied consistently from period to period unless there is a change in the expected pattern of consumption of those future economic benefits or service potential.
- The preferred depreciation method will be the straight-line method unless otherwise agreed to in writing by the Chief Financial Officer.
- Depreciation shall initially be calculated from the day the asset is available for use.
- Each manager, acting in consultation with the Chief Financial Officer, shall ensure that reasonable budgetary provision is made annually for the depreciation of all applicable assets controlled or used by the department in question or expected to be so controlled or used during the ensuing financial year.
- The procedures to be followed in accounting and budgeting for the amortisation of intangible assets shall be identical to those applying to the depreciation of other assets.

10.6 Initial determination of useful life

- Each Manager needs to determine the useful life of a particular item or class of asset through the development of a strategic asset management plan. The determination of useful life should be developed as part of any pre-acquisition planning that would consider, inter alia, the following factors:
 - The program that will optimise the expected long term costs of owning that asset,
 - Economic obsolescence because it is too expensive to maintain,
 - Functional obsolescence because it no longer meets the municipality's needs,
 - Technological obsolescence,
 - Social obsolescence due to changing demographics, and
 - Legal obsolescence due to statutory constraints
- A schedule of useful lives is included as an annexure. These should be used as a guide only because asset lives experienced may greatly vary from those recommended lives.
- Spares purchased specifically for a particular asset or class of assets at the time of the initial acquisition and which would become redundant if that asset or class was retired or use of that asset or class was discontinued, must be considered to form part of the historical cost of that asset or class. The depreciable amount of such spares must be allocated over the useful life of the asset or class.

10.7 Review of useful life and residual value

- Only the Chief Financial Officer in consultation with the responsible manager may amend the useful operating life or the residual value assigned to any asset.
- The Chief Financial Officer shall amend the useful operating life or the residual value assigned to any asset if it becomes known that such asset has been materially impaired or improperly maintained to such an extent that its useful operating life will not be attained, or any other event has occurred which materially affects the pattern in which the asset's economic benefits or service potential will be consumed.
- If the value of an asset item of PPE has been diminished to such an extent that it has no or a negligible further useful operating life or value

such fixed asset shall be written off from the date in which such diminution in value occurs.

- Similarly, if an asset has been lost, stolen or damaged beyond repair, it shall be written off the asset register.
- The useful life and the residual value of an item of property, plant or equipment must be reviewed annually and if these revised expectations are significantly different from previous estimates, then the depreciation charge for the current and future periods must be adjusted and the additional depreciation expenses shall be debited to the department or vote controlling or using the fixed asset in question.

10.8 Review of depreciation method.

- The depreciation method applicable to a class of asset must be reviewed annually, and if there has been a significant change in the expected pattern of economic benefits or potential service delivery from those assets, the method must be changed to reflect the changed pattern.
- When such a change in depreciation method is necessary the change must be reflected as a change in the accounting estimate and the depreciation charge for the current and future periods should be adjusted.

10.9 Subsequent expenditure on assets

- Subsequent expenditure relating to an item of property, plant or equipment that has already been capitalised must be added to the carrying amount of the asset when such expenditure will increase the useful life of the asset or increase the efficiency of the asset or reduce the cost of operating the asset and resulting in financial or service delivery benefits.
- All other expenditure must be recognised as an expense in the period in which it occurred.
- Before allowing the capitalisation of subsequent expenditure, the Chief Financial Officer must be satisfied that this expenditure will significantly:
 - Increase the life of that asset beyond that stated in the asset register, or
 - Increase the quality of service provided by that asset beyond the existing level of service, or

- Increase the quantity of services that asset can provide, or
- Reduce the future assessed costs of maintaining that asset.
- Expenditure that is proposed to be capitalised must also conform to recognition criteria for assets and should also be appropriately included in the approved capital budget.

10.10 Impairment losses

The accounting treatment relating to impairment losses is outlined as follows (GRAP 17)

- The carrying amount of an item or a group of identical items of property, plant and equipment should be reviewed periodically in order to assess whether or not the recoverable amount has declined below the carrying amount.
- When such a decline has occurred, the carrying amount should be reduced to the recoverable amount. The amount of the reduction should be recognised as an expense immediately, unless it reverses a previous revaluation in which case it should be charged to a non-distributable reserve.
- The recoverable amount of individual assets, or groups of identical assets, is determined separately and the carrying amount reduced to recoverable amount on an individual asset, or group of identical assets, basis. However, there may be circumstances when it may not be possible to assess the recoverable amount of an asset on this basis, for example when all of the plant and equipment in a sewerage purification works is used for the same purpose. In such circumstances, the carrying amount of each of the related assets is reduced in proportion to the overall decline in recoverable amount of the smallest grouping of assets for which it is possible to make an assessment of recoverable amount.
- The following may be indicators that an asset is impaired:
 - The asset has been damaged.
 - The asset has become technologically obsolete.
 - The asset remains idle for a considerable period either prior to it being put into use or during its useful life.
 - Land is purchased at market value and is to be utilised for subsidised housing developments, where the subsidy is less than the purchase price.

- The following steps will have to be performed regularly during the year to account for impairment losses:
 - Departments will identify and inform CFO – Asset Control of assets that:
 - » Are in a state of damage at year end.
 - » Are technologically obsolete at year end. .
 - » Have remained idle for a considerable period either prior to them being put into use at year end or during their useful life.
 - » Are subject to impairment losses because the subsidies to be received in exchange for assets are less than the carrying amounts. An example of this is land that is purchased at market value and is to be utilised for subsidised housing developments.
- The recoverable amounts of these assets need to be determined by calculating the net selling price per asset as defined above.
- The impairment loss per asset is the difference between the net selling price and the carrying value of the asset.

10.11 Subsequent increase in recoverable amount

- A subsequent increase in the recoverable amount of an asset, previously impaired due to a decline in the carrying amount, should be written back when the circumstances and events that led to the write-down or write-off cease to exist and there is persuasive evidence that the new circumstances and events will persist for the foreseeable future.
- The amount written back should be reduced by the amount that would have been recognised as depreciation had the write-down or write-off not occurred.

10.12 Accounting treatment on Disposal

- An asset should be eliminated from the financial records on disposal or when the asset is permanently withdrawn from use and no future economic benefits or potential service delivery is expected from its existence.

- Gains or losses arising from the retirement or disposal of an asset should be determined as the difference between the actual or estimated net disposal proceeds and the carrying amount of the asset, and should be recognised as revenue or expense in the financial records.
- Gains realised on the alienation of assets shall only be appropriated annually to the municipality's Capital Replacement Reserve in terms of an approved budget (except in the cases below), and all losses on the alienation of assets shall remain as expenses on the statement of financial performance of the department or vote concerned. If, however, both gains and losses arise in any one financial year in respect of the alienation of the assets of any department or vote, only the net gain (if any) on the alienation of such assets shall be appropriated.

10.13 Reinstatement, maintenance and other expenses

Only expenses incurred in the enhancement of a fixed asset (in the form of improved or increased services or benefits flowing from the use of such asset) or in the material extension of the useful operating life of a fixed asset shall be capitalised.

Expenses incurred in the maintenance or reinstatement of a fixed asset shall be considered as operating expenses incurred in ensuring that the useful operating life of the asset concerned is attained, and shall not be capitalised, irrespective of the quantum of the expenses concerned.

Expenses which are reasonably ancillary to the bringing into operation of a fixed asset may be capitalised. Such expenses may include but need not be limited to import duties, forward cover costs, transportation, installation, assembly and communication costs.

The following matrix will assist in distinguishing capital expenditure from maintenance expenditure:-

CAPITAL EXPENDITURE	MAINTENANCE
<ul style="list-style-type: none"> • Acquiring a new asset • Replacing an existing asset 	<ul style="list-style-type: none"> • Restoring an asset so that it can continue to be used for its intended purposes • Maintaining an asset so that it can be used for the period for which it was

<ul style="list-style-type: none"> • Enhancing an existing asset so that its use is expanded • Further developing an existing assets so that its original useful life is extended 	initially intended
---	--------------------

10.14 Assets held under leases

Finance leases are leases, which in effect transfer all risks and rewards associated with the ownership of an asset from the lessor to the lessee. Assets held under finance leases are capitalised by the municipality and reflected as such in the Asset Register. It will be capitalised at its leased value at commencement of the lease, which will be the price stated in the lease agreement, or a price calculated after taking into account reasonable interest on the payments over the period of the lease. The asset is then depreciated over its expected useful life.

Operating leases are those leases which do not fall within the scope of the above definition. Operating lease rentals are expensed as they become due.

Assets held under operating leases are not accounted for in the asset register.

10.15 Investment property

- Investment assets shall be accounted for in terms of GRAP 16 and shall not be classified as property, plant and equipment for purposes of preparing the municipality's financial statements.
- Investment assets comprise land or buildings (or parts of buildings) or both held by the municipality, as owner or as lessee under a finance lease, to earn rental revenues or for capital appreciation or both.
- Investment assets shall be recorded in a separate section of the assets register in the same manner as other assets.
- If the Council of the municipality resolves to construct or develop a property for future use as an investment property, such property shall in every respect be accounted for as an ordinary asset until it is ready for its intended use – where after it shall be reclassified as an investment asset.

Investment assets shall not be depreciated, but shall be valued annually at financial statements date to determine their fair market value. Investment assets shall be recorded in the financial statements at such fair value. Adjustments to the previous year's recorded fair value shall be accounted for as either gains (revenues) or losses (expenses) in the accounting records.

-
- An expert valuer shall be engaged by the municipality to undertake such valuations unless such expertise is available in-house.

10.16 Assets treated as inventory

- Any land or buildings owned or acquired by the municipality with the intention of reselling such property in the ordinary course of business, or any land or buildings owned or acquired by the municipality with the intention of developing such property for the purpose of reselling it in the ordinary course of business, shall be accounted for as inventory, and not included in either property, plant and equipment or investment property in the municipality's financial statements.
- Such inventories shall, however, be recorded in a separate section of the assets register in the same manner as assets.

10.17 Recognition of heritage assets in the asset register

- If no original costs or fair values are available in the case of one or more or all heritage assets, the Chief Financial Officer may, if it is believed that the determination of a fair value for the assets in question will be a laborious or expensive undertaking, record such asset or assets in the asset register without an indication of the costs or fair value concerned.
- For financial statements purposes, the existence of such heritage assets shall be disclosed by means of an appropriate note.

10.18 Other write-offs of assets

- An asset item, even though fully depreciated, shall be written off only on the recommendation of the manager controlling or using the asset concerned, provided it has been submitted to the Chief Financial Officer for approval.
- Every manager shall report to the Chief Financial Officer on 31 October of each financial year on any asset which such manager wishes to have written off, stating in full the reason for such recommendation. The Chief Financial Officer shall consolidate all such reports, and shall submit a recommendation to the Accounting Officer of the municipality on the assets to be written off.
- The only reasons for writing off assets, other than the alienation of such assets, shall be the loss, theft, destruction or material impairment of the item/s in question.

- In every instance where a not fully depreciated asset is written off, the Chief Financial Officer shall immediately debit to such department or vote the full carrying value of the asset concerned.

10.19 Agricultural assets

- Accounting for such assets shall take place in accordance with the requirements of GRAP 101.
- The Chief Financial Officer, in consultation with the head(s) of department concerned, shall ensure that all such assets, such as livestock and crops, are valued at 30 June each year at fair value less estimated cost of disposal.
- Such valuation shall be undertaken by a valuer specialising in the valuation of the type of agricultural assets concerned.
- Any losses on such valuation shall be debited to the department or vote concerned as an operating expense, and any increase in the valuation shall be credited to the department or vote concerned as operating revenue.
- If any such asset is lost, stolen or destroyed, the matter – if material – shall be reported in writing by the manager concerned in exactly the same manner as though the asset were an ordinary asset.
- Records reflecting the details of agricultural assets shall be kept in a separate section of the asset register or in a separate accounting record and such details shall reflect the information which the Chief Financial Officer, in consultation with the manager concerned, deems necessary for accounting and control purposes.
- The Chief Financial Officer shall annually insure the municipality's agricultural assets, in consultation with the manager concerned.

11. MAINTENANCE OF ASSETS

11.1 General maintenance of Assets

- Every manager shall be directly responsible for ensuring that all assets are properly maintained and in a manner which will ensure that such assets attain their maximum useful operating lives

13 FINANCIAL DISCLOSURE

- The financial statements must disclose, in respect of each class of asset classified under the categories of infrastructure, community, heritage, investment properties, inventory, biological and other assets the compulsory disclosures as required by the relevant standards of GRAP

INDICATIVE USEFUL LIFE OF ASSETS

Asset Class	Asset Sub-grouping	Useful Life (Yrs)
Land	None	Indefinite
Buildings	None	100
Infrastructure	Sewerage	10 – 100
	Electricity	15 – 100
	Water	12 – 182
	Roads	12 – 102
	Security Measures	5 – 50
Community Assets	None	5 – 100
Leased Asset	None	3 – 6
Heritage	None	Indefinite
Other Assets	Bins and Containers	15
	Other	3 – 100
	Office Equipment	2 – 35
	Vehicles and Specialised Vehicles	7 – 50



FUNDING AND RESERVE POLICY VERSION 3

DOCUMENT AND VERSION CONTROL

Version: **Revision 3**

Date: **May 2012**

Summary: This document describes Funding and Reserves that will be applicable to the Mossel Bay Municipality, with effect from

1 July 2012

Signature: _____

Municipal Manager
(Accounting Officer)

Date : _____

Signature: _____

Executive Mayor

Date: _____

INDEX

Contents	Page
1. INTRODUCTION AND OBJECTIVE	4
2. LEGISLATIVE REQUIREMENTS	4
3. CASH MANAGEMENT	4
4. DEBT MANAGEMENT	4
5. FUNDING OF THE CAPITAL BUDGET	5
6. FUNDING OF THE OPERATING BUDGET	7
7. RESERVES	9
8. REVIEW OF THE POLICY	11

FUNDING AND RESERVE POLICY

1. INTRODUCTION AND OBJECTIVE

The Mossel Bay Municipality sets as its objective to be a long-term financially sustainable Municipality with acceptable levels of service delivery to the community.

This policy aims to set standards and guidelines towards ensuring financial viability over both the short and long term and includes funding as well as reserves requirements.

2. LEGISLATIVE REQUIREMENTS

In terms of Section 18 and 19 of the Municipal Finance Management Act , No 56 of 2003 (MFMA), an annual budget may only be funded from:-

- Realistically anticipated reserves to be collected ;
- Cash-backed accumulated funds from surpluses of previous years not committed for other purposes; and
- Borrowed funds, but only for capital projects.

Furthermore, spending on a capital budget may only be commenced if the sources of funding have been considered, are available and have not been committed for other purposes (Section 19 (1) (d) of the MFMA)

In accordance with the requirements of the MFMA, the Budget must be cash funded.

3. CASH MANAGEMENT

Cash Management is done in terms of the Municipality's Cash Management and Investment Policy.

4. DEBT MANAGEMENT

Debt Management is done in terms of the Municipality's Debt and Borrowing Policy.

5. FUNDING OF THE CAPITAL BUDGET

The Capital Budget can be funded by way of own contributions, grants, public contributions or any other financing source secured by the local authority.

5.1. Own Funding Sources

The Mossel Bay Municipality has established a Capital Replacement Reserve (CRR) for the purpose of financing capital projects and the acquisition of capital assets on the following conditions:-

5.1.1. *Purpose of the CRR*

It is the policy of the Mossel Bay Municipality to establish a Capital Replacement Reserve. The purpose of the CRR is to set funds aside for the financing of property, plant and equipment. The CRR is therefore an asset financing source that represents an alternative to other funding sources available to municipalities, namely external loans (interest bearing borrowings) and government grants and subsidies.

5.1.2. *Contributions to the CRR*

It is the policy of Council to make contributions annually to the CRR to ensure that the CRR remains a capital funding source for the future. The Municipality will determine its future capital financing requirements and endeavour to transfer sufficient cash to its CRR in terms of this determination. The Integrated Development Plan, the Municipality's ability to raise external finance and the amount of Government grants and subsidies that will be received in future will need to be taken into account in determining the amount that must be transferred to the CRR.

All cash proceeds on the sale of assets (including the sale of buildings and land) will be transferred from the Accumulated Surplus to the CRR via the Statement of Changes in Net Assets.

All cash proceeds from Developers Contributions and payments received in respect of the buyout of parking areas will be transferred from the Accumulated Surplus to the CRR via the Statement of Changes in Net Assets.

Council will annually, with the approval of its budget, provide for a contribution from Income to the CRR. The contribution from income is a function of interest received on investments as well as a portion of the income generated from tariff income in respect of the depreciation of assets.

Annually a contribution equal to the depreciation of that financial year will be contributed from the accumulated surplus to the CRR. Every year, with the closure of the financial records, the Chief Financial Officer can decide on an increased contribution to the CRR if sufficient cash surpluses were generated through savings on expenditure or additional income sources during the year.

The actual final contribution compared to the budgeted amount, must annually be reported to Council.

Similarly the Chief Financial Officer can decide on a lesser amount but only if the cash income from interest on investments and Tariffs did not realise as budgeted for.

5.1.3. Accounting Requirements

The balance of the CRR must always be represented by cash.

The CRR may only be utilised for the financing of items of property, plant and equipment as specified in GRAP 17 for the Municipality and may not be used for the maintenance of any assets.

Whenever an asset is financed out of the CRR an amount equal to the cost price of the asset purchased is transferred from the CRR into Accumulated Surplus on the Statement of Changes in Net Assets. This is done to accommodate future annual depreciation charges on assets funded from the CRR.

A register must be kept with full details of all the following transactions:

- (a) Land Sales.
- (b) Developers Contributions.
- (c) Parking Areas.

5.2. Other Funding Sources

The Capital Budget shall be financed from external sources such as the following:

- Grants and subsidies as allocated in the Division of Revenue Act
- Grants and subsidies as allocated by Provincial Government
- External loans
- Public contributions
- Any other financing sources secured by local authorities

6. FUNDING OF THE OPERATING BUDGET

6.1. Basis of Calculation

- The incremental approach is used in preparing the annual Operating Budget, except in cases where contractual commitment has been made that would span over more than one financial year. In these instances the zero-based method will be followed.
- The annual Operating Budget shall be based on realistically anticipated revenue that should be equal to the anticipated operating expenditure in order to result in a balanced budget.
- An income-based approach shall be used where the realistically anticipated income is determined first and the level of operating expenditure would be based on the determined income, thus resulting in a balanced budget.

6.2. Assumptions for different categories

The following assumptions are used when compiling the budget for the following expenditure categories:-

- **Employee-Related Costs**
The salaries and allowances are calculated based on the percentage increases as per the collective agreement between organised labour and the employer for a particular period.

The remuneration of all political office bearers is based on the limitation and percentages as determined by the responsible National Minister
- **Collection Costs**
It refers to costs attributed for the collection of outstanding amounts according to the Credit Control Policy and the Service Level Agreement.
- **Depreciation and Amortisation**
Depreciation is calculated at cost using the straight line method, to allocate depreciation cost to the residual values over the estimated useful lives of the assets.

- Interest External Borrowings

The above refers to interest and redemption that has to be repaid on an external loan taken up by the Municipality.

The Budget is determined by the repayments that the Municipality is liable for based on the loan agreements entered into with the Institutions.

- Bulk Purchase

The expenditure on bulk purchases shall be determined by using the tariffs as stipulated by the Department of Water Affairs and NERSA or any other service provider from time to time.

- General Expenses

The growth will be based on a percentage growth in line with the prevailing growth rates and the CPI and prior actual expenditure trends.

- Repairs and Maintenance

Repairs and Maintenance shall be determined in conjunction with the needs of the different Directorates and in accordance with the Asset Maintenance Plan for the maintenance of Infrastructure Assets and Normal Maintenance.

- Contributions to funds

Contributions made to provisions are based on actual expenditure in the previous year and any other factor that could have effect.

6.3. The Operating Budget shall be financed from the following sources.

- Service Charges

- Electricity charges
- Water sales
- Refuse removal fees
- Sewerage fees

- Taxes

Assessment rates are levied in terms of the Municipal Property Rates Act based on land and improvements value.

Tariffs are set in accordance with the stipulations as set out in the Tariff Policy.

- **Grants and Subsidies**
Grants and subsidies shall be based on all gazetted grants from the National and Provincial Treasuries and all other Public Contributions from organisations.
- **Interest on Investments**
The budget for interest on investments shall be in accordance with the Cash and Investment Policy of the Municipality.
- **Rental Fees**
The budget for income from rental will be based on the fees set out in the rental contracts.
- **Fines**
Income from fines will be budgeted for on actual Income received in the preceding year and a percentage growth rate for the particular year.
- **Other Income**
All other income will be budgeted on the actual Income received in the preceding year and a percentage growth rate for the particular year.

7. RESERVES

7.1. Introduction

The Municipality recognises the importance of providing to the Municipality itself, as well as its creditors, financiers, staff and general public a measure of protection for future losses, as well as providing the necessary cash resources for future capital replacements and other current and non-current liabilities.

7.2. Legal Requirements

As there are no legal requirements for the creation of reserves, the Housing Act, No 107 of 1997, requires the creation of the Housing Development Fund. According to GRAP “Framework and Preparation and Presentation of Financial Statements” such reserves may be created, but “Funding Accounting” is not allowed and any such reserves must be legal reserves created by law or through a Council Resolution.

7.3. Types of Reserves

Reserves can be classified as cash-funded reserves and non-cash-funded reserves:

7.3.1. Cash-Funded Reserves

7.3.1.1. Housing Development Fund

The Accounting Officer must create a Housing Development Fund in terms of the Housing Act, No 107 of 1997.

The Housing Development Fund must be cash backed. The proceeds of the Housing Development Fund are utilised for housing development in accordance with the National Housing Policy.

Any rental, sale or alienation of property financed previously from Government housing funds be paid into the Housing Development Fund.

7.3.1.2. Capital Replacement Reserve (CRR)

The CRR may only be utilised for purpose of financing of items of property, plant and equipment as specified in GRAP 17, and may not be used for the maintenance of any assets. The CRR is an asset financing source that represents an alternative to the other funding sources available, namely external loans, government grants and subsidies.

7.3.2. Non-Cash-Funded Reserves

7.3.2.1. Revaluation Reserve

The accounting for the Revaluation Reserve must be done in accordance with the requirements of GRAP 17, if required.

It must be necessary to create non-cash funded reserves according to GRAP requirements and the Accounting Officer must create any reserves prescribed by the Accounting Standards Board.

8. REVIEW OF THE POLICY

The Funding and Reserves Policy is the only policy of the Municipality in this regard and replaces any preceding post policies in this regard.

Any revision of the policy must be approved by Council.

Whenever the Minister of Finance or National Treasury requires changes to the policy by way of legislation, changes to GRAP or otherwise, it must be reviewed annually and submitted for consideration by Council.



DEBT AND BORROWING POLICY

Version 3

DOCUMENT AND VERSION CONTROL

Version: Revision 3

Date: May 2012

Summary: This document describes the Debt and Borrowing Policy that will be applicable to the Mossel Bay Municipality, with effect from

1 July 2012

Signature: _____

Municipal Manager
(Accounting Officer)

Date : _____

Signature: _____

Executive Mayor

Date: _____

INDEX

- 1. INTRODUCTION**
 - 2. POLICY FRAMEWORK**
 - 3. OBJECTIVES**
 - 4. DUE DELIGENCE**
 - 5. DELEGATIONS**
 - 6. MANGEMENT AND INTERNAL CONTROL PROCEDURES**
 - 7. DEBT**
 - 7.1. Debt Management
 - 7.2. Debt Ethics
 - 7.3. Types of Debt
 - 7.4. Security for Debt
 - 7.5. Procedures for debt approval and securities
 - 7.6. Cost of Debt
 - 7.7. Competitive Bidding
 - 7.8. Types of Debt and Financing sources
 - 7.9. Commission or Cost
 - 7.10. Performance
 - 7.11. Forbidden activities
 - 7.12. Reporting
 - 8. REVIEW OF THE POLICY**
-

1. INTRODUCTION

In terms of Chapter 6 of the Municipal Finance Management Act, 2003 (Act No. 56 of 2003), (The “Act”) the municipality may incur long- and short-term debt, subject to certain conditions.

The municipality sometimes need additional bridging funding for over short-term periods and to finance long-term projects (capital projects).

This Debt Policy provides for the municipality to obtain short- and long-term debt and set out all conditions under which the municipality will be entitled to obtain such debt.

All employees of the municipality should adhere to this policy.

1. POLICY FRAMEWORK

This policy addresses all relevant principles and processes to be followed when obtaining short- and long-term debt, to ensure sufficient management of debt. The policy includes the following:

- Objectives of the policy
- Due diligence
- Delegations
- Management and internal control procedures
- Debt Management
- Types of Debt
- Securities for Debt
- Approval procedures
- Cost of Debt
- Competitive selection of bids
- Types of Debt and financing sources
- Commission and discounts
- Forbidden activities
- Reporting and monitoring of requirements
- Review of the policy

2. OBJECTIVES

The objectives of this policy are to ensure optimal performance with the lowest possible risk through managing the debt, and to ensure accountability, responsibility and transparency throughout the process.

3. DUE DELIGENCE

Each official involved in the process of debt must do so with such judgments and care, under prevailing circumstances, as a person of prudence, discretion and intelligence would exercise in managing his or her own affairs and with his or her primary goal to protect the municipality's cash resources, the municipality's interests with its funders, and in general the municipality's good name.

Speculation may not be undertaken in any of the processes.

4. DELEGATIONS

The management of all cash resources of the municipality is the responsibility of the Accounting Officer. The Accounting Officer will be responsible for:

- the proper implimentation of this policy;
- developing of a relevant system for delegation which will ensure administrative as well as operational effictiveness; and
- appropriate controles on balancing of the management of cash resources

The Chief Financial Officer, as designated in writing by the Accounting Officer, should advise the Accounting officer on the exercise of powers and duties with regard to this policy, and assist the Accounting Officer in the administration of the cash resources, bank accounts and debt account.

The Accounting Officer may not delegate any powers or duties in the administration of the municipality's cash resources to any political structure or councilor and no council member is allowed to interfere or attempt to interfere in the management of the municipality's cash resources.

Any delegation by the Accounting Officer in terms of this policy:

- Must be in writing.
 - Is subject to any restrictions and conditions as the Accounting Officer shall prescribe.
 - May be either to a specific individual or to the holder of a specific position in the municipality and may not be a committee of officials.
 - Can not deprive the Accounting officer of the responsibility concerning the exercise of delegated powers or the performance of the delegated duty.
-

The Accounting Officer may question any decision taken as a result of a delegation or sub-delegation in terms of this policy to confirm, amend or repeal, but no such amendment or repeal of an act may be done to break down any rights that would arise as a result of the decision.

For the implementation of this policy, any reference to “Accounting Officer” also means “any other person acting under a delegated power or function as exercising delegated by the Accounting Officer in terms of paragraph 5.

5. MANAGEMENT AND INTERNAL CONTROL PROCEDURES

The Accounting Officer, assisted by the Chief Financial Officer must take all reasonable steps to ensure:

- That the municipality have a managerial-, accounting- and information system to maintain all debt-, accounts-, receipting-, withdrawals- and debt transactions.
- That, in the case of debt, amounts due been calculated on a monthly basis
- That the municipality have a system of internal controls over bank- and debt accounts, receipting-, withdrawal- and debt transactions.

The Internal Audit department should advise the accounting officer and evaluate and report on compliance with the above, at least on an annual basis.

6. DEBT

6.1. Debt Management

The Accounting Officer is responsible for the administration of all debt procedures and must take all reasonable steps to ensure that debts are managed in compliance with all audit requirements and any legal requirements included as prescribed in the Law on Local Government: Municipal Finance Management Act, 2003 and in particular Chapter 6 of the Act.

The Accounting Officer may delegate the duties, linked to investments, as per paragraph 5 of this policy.

6.2. Debt Ethics

All officials involved in the debt management process must act with fidelity, honesty, integrity and in the best interest of the municipality and must strive, within the sphere of influence of the officials, to prevent any impairment of the debt of the municipality and creating solvency problems.

No officials involved in the debt management process should use his or her position or privileges as, or confidential information obtained in the process for personal gain or unfair advantage to another person.

The Accounting Officer must report as soon as practicable to the Mayor as well as the National Treasury any alleged violation of the above and may also make recommendations whether the alleged offending party must be listed on the National Treasury's database of persons prohibited from doing any business with the public sector. Any such report by the Accounting Officer must complete details of the alleged violation and a written response from the alleged offending party, as proof that the alleged offending party did receive the allegations in writing and had at least 7 (seven) working days to respond to the allegations.

Any sponsor, offered or granted to the municipality must be immediately reported to the National Treasury.

6.3. Types of Debt

6.3.1. Short-term Debt

To ensure that the municipality has sufficient cash to meet the objectives of local government, as contained in Article 152 of the Constitution of the Republic of South Africa (Act 108 of 1996), it is sometimes necessary to obtain short-term financing in order to finance cash shortages in a financial year to cover the bridging operation and / or temporary capital financing.

Short-term debts may only be incurred if the Council is convinced that it will be refunded during the financial year and a report to the Council should indicate how and when it will be repaid, with specific reference to the conditions set in Article 45 of the Act on Local Government: Municipal Finance Management Act (Act No. 56 of 2003).

No debt agreement for short-term debts may be incurred for a period that expires after the end of the financial year in which they are incurred. The Accounting Officer must, as part of the budgeting, determine in time whether the Council will need short term debt for the new financial year ahead and take such steps to ensure that the Council could consider a debt agreement before the date on which the Council will require such financing.

By considering the cash flow of the municipality it must be provide for emergency situations that additional cash may be needed and should be kept in mind to determine whether the Council should enter into short-term debts.

Nothing prevents the Accounting Officer, if it appears that during the financial year a cash shortage arises, to obtain approval from the Council for the introduction of short-term debts. However if it will not be repaid in the same financial year as a result of under-performance in terms of credit or over expenditure, the Council is not allowed to approve such agreement.

The conditions set out in Chapter 6 of the Act on Local Government: Municipal Finance Management, 2003 (Act No. 56 of 2003) must at all times be complied with by the Accounting Officer.

6.3.2. Long-term Debt - Capital Asset

The Council has an obligation to acquire assets and to maintain it in order to ensure service delivery, however it is not always possible for the Council to finance these assets from its own cash reserves. It is for this purpose that the Council may incur long-term debt.

No capital projects may be entered into before the financing sources have been considered, approved and are available. For the purposes of this, "available" means a legally enforceable document in the municipality's possession that guarantees the funding. Short-term bridging finance for capital expenditure may be incurred in anticipation of the disbursement of the long-term debt, provided that the long-term financing is "available" and the conditions for engaging in short-term debts, as per par.7.3.1. above, are met.

The cost of long-term assets which may be incurred include capitalized interest for a reasonable time, the cost of securities, finance costs, advertising, legal, advisory, trustee, credit ratings and other costs of finance, professional services, where it directly applicable to the project and other amounts that the Minister of Finance may approve.

The terms of repayment of any debt must be calculated according to the expected useful life of the assets financed with the debt.

No long-term debt may be incurred if it is not compatible with the Municipality's capital budget, excluded for refinancing.

6.3.3. Long-term Debt – Refinancing

The Municipality is, in terms of Section 46 (5) of the Act on Local Government: Municipal Finance Management Act, 2003, allowed refinancing of long-term debt with the aim to save on the cost of debt. The Accounting Officer must, for this purpose, at least annually and as part of the budget process evaluate and report to the Council about the cost of existing debt, or if the refinancing is a benefit to the Municipality. As part of the evaluation, the Accounting Officer should consider if a once-off payment at the end of the loan period would not be more favorable to the Municipality if the repayments are invested in an investment fund with reasonable projected return on such investment.

Refinancing may only be for long-term debt which has been incurred lawfully in the past and with the further condition that the loan period does not exceed the expected lifespan of the assets financed thereby.

6.4. Security for Debt

It is common practice that investors or financiers required security for granting loans. The municipality will provide security for the inclusion of debt, as set out in section 48 of the Act on Local Government: Municipal Finance Management Act, 2003, but the Council will consider each form of security, together with the debt agreement.

6.5. Procedures for debt approval and securities

The procedures for approval of debt and debt security is defined in Chapter 6 of the Act on Local Government: Municipal Finance Management Act, 2003. For completeness of this policy is shown below:

6.5.1. Short-term Debt

- “45 (2) A municipality may incur short-term debt only if –
- (a) a resolution of the municipal council, signed by the mayor, has approved the debt agreement; and
 - (b) The accounting officer has signed the agreement or other document which creates or acknowledges the debt.”

6.5.2. Long-term Debt

- “46 (2) A municipality may incur long-term debt only if –
- (a) A resolution of the municipal council, signed by the mayor, has approved the debt agreement; and

- (b) The accounting officer has signed the agreement or other document which creates or acknowledges the debt.
- (3) A municipality may incur long-term debt only if the accounting officer of the municipality -
 - (a) has, in accordance with section 21A of the Municipal System Act-
 - (i) at least 21 days prior to the meeting of the council at which approval for the debt is to be considered, made public in an information statement setting out particulars of the proposed debt, including the amount of the proposed debt, the purposes for which the debt is to be incurred and particulars of any security to be provided; and
 - (ii) invited the public, the National Treasury and the relevant provincial treasury to submit written comments or representations to the council in respect of the proposed debt; and
 - (b) Has submitted a copy of the information statement to the municipal council at least 21 days prior to the meeting of the council, together with particulars of-
 - (i) The essential repayment terms, including the anticipated debt repayment schedule; and
 - (ii) The anticipated total cost in connection with such debt over the repayment period.”

6.5.3. Security

- “48 (3) A council resolution authorising the provision of security in terms of subsection (2) (a) –
- (a) must determine whether the asset or right with respect to which the security is provided, is necessary for providing the minimum level of basic municipal services; and
 - (b) if so, must indicate the manner in which the availability of the asset or right for the provision of that minimum level of basic municipal services will be protected.
- (4) If the resolution has determined that the asset or right is necessary for providing the minimum level of basic municipal services, neither the party to whom the municipal security is provided, nor any successor or assignee of such party, may, in the event of a default by the municipality, deal with the asset or right in a manner that would preclude or impede the continuation of that minimum level of basic municipal services.
- (5) A determination in terms of subsection (3) that an asset or right is not necessary for providing the minimum level of basic municipal services is binding on the municipality until the secured debt has been paid in full or the secured obligations have been performed in full, as the case may be.”
-

6.6. Cost of Debt

The municipality must guard that the cost of long-term debt do not rise to such a level that it has a remarkable negative effect on taxes or other municipal charges such as maintenance. The maximum percentage of the operating budget for the repayment of debt must be calculated in the municipality's long-term budget with thorough consideration of the needs identified in the Integrated Development Plan, the cost of new or replacement of existing infrastructure and equipment and other administrative needs.

6.7. Competitive Bidding

The Accounting Officer should adhere to the process as per Supply Chain policy when considering the bids received. For purposes of evaluating tenders in terms of costs, the expected interest debt over the full term of the proposed debt agreement calculated and used as the basis for the 80/20 and 90/10 allocations.

6.8. Types of Debt and Financing sources

The types of debt that may be incurred and the debt financing which may be incurred are as follows:

6.8.1. Types of Short-term Debt

- Bank overdraft
- Short Term Loans
- Marketable Bonds
- Non-Marketable Bonds
- Other Securities

6.8.2. Types of Long-term Debt

- Long-Term Loans
- Installment Credits
- Finance Leasing
- Marketable Bonds
- Non-Marketable Bonds
- Other Securities

6.8.3. Financing Sources

- Public
 - Banks
-

- Development Bank of South Africa
- Infrastructure Finance Corporation
- Public Investment Commissioners
- Insurance Companies
- Municipal Pension Funds
- Other Public Pension Funds
- Bond Trusts
- Internal Funds
- Other Sources

6.9. Commission or Cost

No Commission is payable to an officer or board member, or spouse to, business partner or immediate relative of an officer or board member by an institution, investors or financiers, for any reference made by them.

Any commission, fee or other compensation paid to any person by an institution must certify to the municipality by the institution through a certificate. Any quotation / tender to the municipality given by an institution must be net of fees, commissions or rewards, but also need to include commission, rewards or costs, that will be paid in respect of the debt.

6.10. Performance

The Accounting Officer must annually measure and report to the Council on the performance of its debt in terms of the stipulated objectives of this policy.

6.11. Forbidden activities

- No debt may be made otherwise than in the name of the municipality.
- Money cannot be borrowed for the purpose of investments.
- No person, including officers and council members, may interfere or attempt to interfere in the management of debt attributed to the Accounting Officer or persons delegated by the Accounting Officer.
- No debt may be made in any other currency than the Rand, and that is not linked, or is affected by any change in the value of the Rand against any foreign currency.
- No debt shall be made for expenses not related to the functions and powers of the municipality.

6.12. Reporting

The Accounting Officer must within 10 working days after the end of each quarter furnish the Mayor with a report setting out the detail of each debt portfolio.

The above report must be in the format provided by National Treasury for reporting and monitoring of debt..

7. Review of the Policy

This Debt Policy is the only policy of the municipality and replaces any past policies in this regard. Any revision of the policy must be approved by the Municipal Council.

All proposed changes to this policy should be tabled by the Mayor as part of the annual review of policies and budget documentation.

Whenever the Minister of Finance or the National Treasury or the Auditor – General requests changes to the policy by way of legislation, changes to GRAP or otherwise, it must be reviewed and submitted for consideration by the Council. Such submission must be accompanied with a full description of the reasons for the change to the policy.

EXPENDITURE POLICY

DOCUMENT AND VERSION CONTROL


Version: Revision 2

Date: MAY 2012

Summary: This document describes the Rates Policy that will be applicable to the Mossel Bay Municipality, with effect from 1 July 2012

Signature: _____

Municipal Manager
(Accounting Officer)

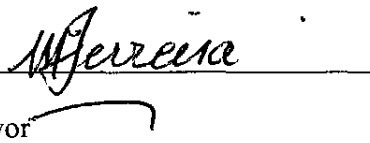


Date : _____

13/6/2012

Signature: _____

Executive Mayor



Date: _____

13 June 2012

1. Expenditure

1.1 No expenditure shall be incurred unless provision therefore has been made in the approved budget.

1.2 Work approved by the Council, either specially or generally, may only be undertaken on behalf of a third party when the full costs are recovered in advance before commencement of the work.

1.3 In the case of an emergency, any proposed expenditure not provided for in the budget shall be authorised as prescribed in terms of Section 29 of the Municipal Finance Management Act.

In addition to Section 29, the following procedures will also be applicable:

(a) In the case of operating expenditure, report as soon as possible to the Accounting Officer and identify virements in the operational budget in order to finance the expenditure; or

(b) In the case of capital expenditure, report as soon as possible to the Accounting Officer and recommend virements in the capital budget, having regard to priority ratings and the limit of the total approved capital budget.

1.4 No person shall commit the municipality to any authorised expenditure unless the necessary Supply Chain Management processes have been followed which include the completion of an official requisition or order. The Chief Financial Officer shall determine the information to be supplied on such requisition or order.

1.5 No Unauthorised, Irregular, Fruitless and Wasteful expenditure may be incurred by any person. If such expenditure is incurred, it will be dealt with in terms of Section 32 of the M.F.M.A.

1.5 1 Unauthorised Expenditure

Unauthorised expenditure is any expenditure incurred otherwise than in accordance with section 15 or 11(3) of the Municipal Finance Management Act (MFMA).

Unauthorised expenditure includes:

- Overspending of the total amount appropriated in the municipality's approved budget,
- Overspending of the total amount appropriated for a vote in the approved budget,
- Expenditure from a vote unrelated to the department or functional area covered by the vote,
- Expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose,
- Spending of an allocation received from another sphere of Government, municipality, or organ of state otherwise than in accordance with any conditions of the allocation,
- A grant by the municipality otherwise than in accordance with the MFMA.

1.5.2 Irregular Expenditure

Irregular expenditure is expenditure incurred by the municipality in contravention of, or that is not in accordance with the Municipal Finance Management Act (Act No.56 of 2003), the Municipal Systems Act (Act No.32 of 2000), the Public Office Bearers Act (Act No. 20 of 1998) or the Municipality's supply chain management policy and which has not been condoned in terms of such act or policy, but excludes expenditure which falls within the definition of "unauthorised expenditure".

1.5.3 Fruitless and Wasteful Expenditure

Fruitless and wasteful expenditure is expenditure that was made in vain and would have been avoided had reasonable care been exercised.

2. Capital Expenditure

2.1 No capital expenditure shall be incurred or committed to any project unless:-

- (a) provision has been made in the approved capital budget or adjustments budget.
- (b) all necessary legislative requirements have been met as set out in the Municipal Finance Management Act (Act No. 56 of 2003), Supply Chain Management policy and the Budget and Reporting Regulations of National Treasury.

2.2 Amendments to the approved capital budget must be done in accordance with the virement policy of Council.

2.3 Where capital expenditure provided in the previous year's budget has not been fully incurred in that year and the balance of the capital expenditure with respect to the specific project must be incurred during the current financial year, such balance of expenditure, if not duly provided for in the current year's budget, shall only be authorised if the total capital costs/depreciation impacting on the municipal operating account for the particular service does not exceed the provision for capital costs/depreciation provided for the service in the current financial year. Such expenditure must be dealt with in terms of the Council's virements policy and must be approved in the adjustment budget in February each year.

3 Expenditure from Provisions and Special Funds

3.1 Expenditure are only allowed as a direct allocation to provisions where the necessary provision has been made and approved by Council through the operating budget and according to the guidelines as set out in the GRAP standards.

4 Recovery of Losses

4.1 Any loss suffered by the municipality due to any fraudulent or corrupt act or an act of bribery shall be dealt with in accordance with the Fraud Prevention Policy and immediately be reported to the South African police service, Auditor-General, Mayor and Accounting Officer in terms of Section 32 (b) of the M.F.M.A.

4.2 Circumstances of financial misconduct by municipal officials in accordance with section 171 of the Local Government : Municipal Finance Management Act, 2003 (Act 56 of 2003) must be reported to the Accounting Officer immediately.

5 Goods and Materials

5.1 Heads of departments shall advise the chief financial officer of the persons authorised to sign requisitions in respect of the categories determined and approved by the municipal manager from time to time. Specimen signatures of all persons authorised to sign requisitions shall be supplied to the chief financial officer. Supply Chain Management will keep record of all authorised persons and the specimen signatures.

6 Payments

All payments must adhere to the stipulations as required by Section 11 of the M.F.M.A.

- 6.1 (a) The Accounting Officer, Chief Financial Officer and any other official authorised in terms of Section 11 of the M.F.M.A. shall be responsible for the payment of all accounts due by the municipality.
 - (b) That all money owing by the municipality be paid within 30 days of receiving the relevant invoice or statement, unless prescribed otherwise for certain categories of expenditure.
 - (c) Payments will only be made directly to the person or institution to which a contract was awarded and from which the invoice is for legally rendering the service to Council, is received.
 - (d) All requests for payment, properly certified and accompanied by the relevant invoices and supporting documentation must reach the Creditors' Section 3 days (72 hours), before payments are made.
- 6.2 Heads of departments shall advise the Chief Financial Officer of the names of officials empowered to sign vouchers and authorising payment of accounts and together with their specimen signatures.
- 6.3 Invoices or statements submitted for payment to the Head Expenditure by any department shall be in such form as may be required by the chief financial officer and must state the reference to the budgetary provision to meet such payment.
- 6.4 A department submitting an invoice to the Chief Financial Officer for payment shall ensure and authorizes that:-
- (a) All processes in terms of the Supply Chain Management Policy of Council had been followed.
 - (b) The goods and services have been received and rendered in good order and under the control of Council;
 - (c) The prices, calculations and any taxes are correct;

- (d) Any discounts to which the municipality is entitled have been deducted;
- (e) The account has not been paid previously;
- (f) Sufficient budgetary provisions exists;
- (g) If excess expenditure is involved, the resolution authorising the excess expenditure shall be quoted on the voucher;
- (h) Authority for the payment exists, in which case the authority shall be indicated on the voucher;
- (i) Fruitless and wasteful expenditure has not been incurred.

6.5 All payments due by the municipality shall be made by cheque or approved electronic payment method drawn on the banking account of the municipality. Certain payments may be made from petty cash in accordance with the Supply Chain policy as amended from time to time.

The following procedures must be followed in respect of petty cash payments:

- (a) A proper voucher with full details of expenditure must be submitted;
- (b) The voucher must be signed by the person making the payment, and the person that rendered the payment for purchases;
- (c) All vouchers must be signed by an authorised Senior Official.
- (d) A proper register with full details of expenditure and Income must be maintained.
- (e) Supplement to the petty cash advance must be done on a regular basis.
- (f) The following documentation must be submitted with supplement to the advances.
 - All signed schedules and vouchers supported by the relevant invoices and vote allocations.
 - A proper reconciliation to match the supplementary amount.

- 6.6(a) All cheques or other methods of payment approved by the chief financial officer and drawn on the banking account of the municipality, shall be signed or authorised by not fewer than two persons as authorised by the Accounting Officer in terms of the Section 11 of the M.F.M.A.
- (b) The delegated authority to sign cheques or authorise electronically payments shall be in writing and kept on record, and be reviewed regularly by the Accounting Officer. Copies of such letters of authority will be kept by the Expenditure Section.

7 Salaries, Wages and Allowances

- 7.1 The chief financial officer shall be responsible for the calculation and payment of salaries, wages and allowances.
- 7.2 Payment shall be made in accordance with pay sheets approved by the Head Expenditure to a nominated bank account of the municipal employee or councillor.
- 7.3(a) The Director of Corporate services is responsible to notify the Head Expenditure of all appointments, promotions, dismissals, resignations, transfers, absences for any reasons, and all matters affecting the emoluments of employees of the municipality.
- (b) The submission of such information to the Head Expenditure shall be in such form and at such dates and times as the Chief Financial Officer may determine from time to time.
- 7.4 The Director Corporate Services shall be responsible for the maintenance of all records essential for the accurate determination of emoluments and leave due to employees of the municipality.

8 Accounting

- 8.1 The Chief Financial Officer shall determine the format, standards and systems applicable to the accounting procedures on expenditure and shall in doing so take cognisance of General Recognised Accounting Practices (GRAP) guidelines issued by The Accounting Standards Board.

8.2 Council items related to financial matters, will not be forwarded to Council if it is not supported with the necessary comments by the Chief Financial Officer.

8.3 The Chief Financial Officer shall ensure that proper accounting records and registers are opened and maintained in compliance with subsection (1), and he may prescribe the requirements for access to electronic accounting systems and shall maintain the necessary security and password systems for this purpose.

9 Banking details

9.1 Any changes to creditors banking details will only be allowed when the following procedures have been met:

9.1.1 The Creditor must inform the Municipality of his banking details on an original letterhead from the specific company and approved by the relevant banking institution with their official stamp and signatures.

9.1.2 In the case where official letterheads and documentation is not available a letter from the banking institution duly signed by both parties and official stamp will be required.

9.1.3 Only original documentation for detail as set out above will be accepted for any changes to banking details.

9.1.4 Refunds in respect of other deposit accounts, excluding consumer deposit, will only be refunded to the bank account originally certified by the beneficiary at the time of payment.

10. Interest on late payments

No interest will be payable by Council on any late payments unless prove of negligence of council's officials are provided in which case it must be reported to the Accounting Officer who will determine the recoverability there-of.

11. Grant Expenditure

A proper cash flow in respect of Grant expenditure as well as Grant income related to the Grant Funding project must be drawn up by the relevant director.

No payments will be allowed in respect of projects to be financed from external grants unless grant funding have been received. Council may, however, approve payments before any funds have been received but only where funds, already committed in writing, by the relevant state department or other institution. The relevant directorate must obtain approval for bridging finance.

The Head Expenditure will keep proper records and reconciliations of Grants funded projects.



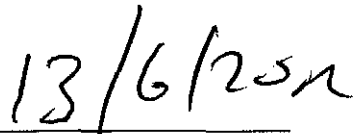
VIREMENT POLICY

MOSSEL BAY MUNICIPALITY**VIREMENT POLICY****DOCUMENT AND VERSION CONTROL****Version:** Version 3**Date:** May 2012**Summary:** This document describes the Virement policy that will be applicable to the Mossel Bay Municipality, with effect from1 July 2012

Signature: _____

Municipal Manager
(Accounting Officer)

Date : _____

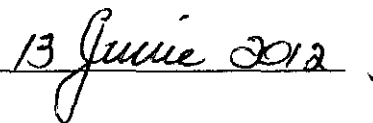


Signature: _____

Executive Mayor



Date: _____



1. PURPOSE

- 1.1 The Chief Financial Officer has a statutory duty to ensure that adequate policies and procedures are in place to ensure an effective system of financial control.
- 1.2 Section 81(1)(d) of the MFMA states inter alia “that The Chief Financial Officer of the Municipality must advise senior Managers and other senior officials in the exercise of powers and duties assigned to them in terms of section 78 or delegated to them in terms of section 79”.
- 1.3 It is the responsibility of each Executive Director of each Directorate to which funds are allocated, to plan and conduct assigned operations so as not to spend more funds than budgeted for and to ensure that funds are utilized effectively and efficiently.
- 1.4 Section 78 (1) of the MFMA states inter alia that “Each Senior Manager of a Municipality and each official of a Municipality exercising financial management responsibilities must take all reasonable steps within their respective areas of responsibility to ensure that in terms of Section 78(1) (b) the financial and other resources of the Municipality are utilized effectively, efficiently, economically and transparently”
- 1.5 No expenditure may be incurred unless provision therefore has been made in the operating and capital budgets. Refer to section 15 of the M.F.M.A. in this regard.

2. DEFINITIONS (CHAPTER 1 OF M.F.M.A.)

2.1 Accounting Officer

- 2.1.1 “(a) in relation to a municipality, means the Municipal official referred to in section 60“

2.2 Adjustment Budget

Means a budget

- (a) As described in Section 28 of the M.F.M.A. and
- (b) In terms of Part 4 of the Municipal Budget and Reporting Regulations.

2.3 Approved Budget

“Means an annual budget –

- 2.3.1 (a) approved by a Municipal Council; or
- 2.3.2 (b) approved by a Provincial or the National Executive following an intervention in terms of section 139 of the constitution, and includes such an annual budget as revised by an adjustments budget in terms of section 28 and of the Municipal Budget and Reporting Regulations.”

2.4 Chief Financial Officer

2.4.1 “means a person designated in terms of section 80(2) (a)”.

2.5 Executive Directors

2.5.1 Section 56 of the Systems Act states inter alia that : “Appointment of managers directly accountable to Municipal Managers – (a) a Municipal Council, after consultation with the municipal manager, appoints a manager directly accountable to the Municipal Manager.”

2.6 Financial year

2.6.1 Means a year ending on 30 June.

2.7 M.F.M.A Vote

2.7.1 “(a) one of the main segments into which a budget of a Municipality is divided for the appropriation of money for the different departments or functional areas of the Municipality; and

(b) Which specifies the total amount that is appropriated for the purpose of the department or functional area concerned.”

2.7.2 The definition of “VOTE” for Mossel Bay Municipality is set at the Directorate level.

2.8 Virement

2.8.1 The process of transferring an approved budgetary provision from one operating cost element or capital project to another during a municipal financial year and which results from changed circumstances from that which prevailed at the time of the previous budget adoption.

3. REGULATION ON BUDGET VERSUS EXPENDITURE – M.F.M.A

3.1 The M.F.M.A. regulates as follows regarding the incurring of expenditure against budgetary provisions.

3.1.1 Section 15 – Appropriation of funds for expenditure

“A Municipality, may except where otherwise provided in the Act, incur expenditure only –

- (a) In terms of an approved budget, and
- (b) Within the limits of the amounts appropriated for the different votes in the approved budget.”

3.1.2 Unauthorised Expenditure (M.F.M.A. Definition)

“in relation to a Municipality, means any expenditure incurred by a Municipality otherwise than in accordance with section 15 or 11 (3), and includes –

- (a) Overspending of the total amount appropriated in the Municipality's approved budget;
- (b) Overspending of the total amount appropriated for a vote in the approved budget;
- (c) Expenditure from a Vote unrelated to the department or functional area covered by the vote;
- (d) Expenditure of money appropriated for a specific purpose, otherwise than for that specific purpose.
- (e) Spending of an allocation referred to in paragraph (b), (c) or (d) of the definition of "allocation" otherwise than in accordance with any conditions of the allocation; or
- (f) A grant by the Municipality otherwise than in accordance with this act."

3.1.3 Overspending (M.F.M.A. Definition)

- (a) "in relation to the budget of a Municipality, means causing the operational or Capital expenditure incurred by the Municipality during a financial year to exceed the total amount appropriated in that year's budget for its operational or capital expenditure, as the case may be;
- (b) In relation to a Vote, means causing expenditure under the vote to exceed the amount appropriated for that vote; or
- (c) In relation to expenditure under section 26, means causing expenditure under that section to exceed the limits in subsection (5) of that section."

3.1.4 Section 71 (1) (g) (iii) states inter alia (i) " The accounting officer of a municipality must by no later than 10 working days after the end of each month submit to the Mayor of the Municipality and the relevant provincial treasury a statement in the prescribed format on the state of the Municipality's budget reflected the following particulars for that month and for the financial year up to the end of that month – (g) when necessary, an explanation of – (iii) any remedial or corrective steps taken or to be taken to ensure that projected revenue and expenditure remain within the Municipality's approved budget".

4. VIREMENT REQUIREMENTS

4.1 A virements represents a flexible mechanism to affect budgetary amendments within a Municipal financial year, and represents the major mechanism to align and take corrective (financial / budgetary) action within a Directorate during a financial year.

4.2 To transfer funds from one vote or capital project to another vote or capital project, a saving has to be identified within the monetary limitations of the approved vote or capital project allocations on the respective budgets.

4.3 Any budgetary amendments of which the net impact will result in exceeding the approved annual budget allocation for a vote and any other amendments not covered in this policy are to be considered for budgetary adoption via an adjustments budget (per M.F.M.A. section 28)

4.4 In terms of Section 17 of the M.F.M.A. a municipality's budget is divided into an operating and capital budget and consequently no virements are permitted between Operating and Capital Budgets.

5. DELEGATIONS

5.1 Subject to the further stipulations and conditions in this policy, the authority is delegated to every Director to vire not more than 25% to and from the same sub votes, projects, etcetera of the budget.

5.2 Virements between votes would require a Council resolution which is confirmed through the Adjustment Budget.

6. OPERATING BUDGET

6.1 Virements are not allowed to utilise any special purpose operating budgetary allocations approved by Council and which is specifically mentioned and highlighted as such during the approval of the budget.

6.2 Only Council may consider the virements of these funds mentioned in 6.1 above and only after full motivations were provided for these virements.

6.3 Salaries, Wages and Allowances

6.3.1 Virements to and from the category Salaries, wages and allowances excluding the item "Protective Clothing and Uniforms" are not permitted unless approved by Council.

6.3.2 Any savings identified for the filling of approved vacant posts not budgeted for can only be vired with a Council's Resolution in which the future year's financial impact had also been considered.

6.4 Other Expenditure

6.4.1 Virements to and from the following items are not allowed: Bulk purchases; Debt Impairment, Interest Charges; Depreciation, Grants to Individuals, Revenue foregone, Insurance and Vat. And other non-cashed items as determined by the Chief Financial Officer.

6.4.2 Virements in respect of expenditure votes financed from grants or any other external source of finance must be approved by Council.

6.5 Revenue

6.5.1 No virements are permitted in relation to the Revenue side of the Budget.

6.5.2 Revenue amendments are to be adopted via an adjustments Budget.

6.6 Confirmation

The virements of any savings amount is subject to the confirmation of the Chief Expenditure.

7. CAPITAL BUDGET

7.1 Virements with the result in adding 'new' projects to the Capital Budget will not be allowed unless approved by council.

7.2 Virements in respect of savings on capital projects will only be permitted if allocated to projects approved as part of the annual or adjustment budgets or the 3 year capital program of the Council.

7.3 Budgeted amounts in respect of approved capital projects which are, due to changed circumstances, not executed, can only be vired by Council.

7.4 The only exemption to 7.1 and 7.2 above is where furniture and/or equipment (to a maximum value of R50 000) which does not appear on the Capital Budget can be purchased. This authority is delegated to the Municipal Manager and Directors.

7.5 Virements of Conditional Grant funds to purposes outside of that specified in the relevant Conditional Grant framework is not permitted.

7.6 Virements of Capital Projects can only be approved between projects of

similar funding sources (e.g. MIG to MIG).

8. PROCESS AND ACCOUNTABILITY

8.1 Virements application forms as per annexure A must be completed in accordance with Council's virements policy.

8.2 Completed virements documentation must also to be verified by the Head : Expenditure as confirmation of available funds and/or savings.

8.3 Virements approved by the Directors will be reported to Council on a quarterly basis.

Annexures

Annexure A : Virement Form : Operational Budget and Capital Budget.

MOSSEL BAY MUNICIPALITY
APPLICATION FOR A VIREMENT OF FUNDS

FILE NO. : 5/1/1 09/10
TO : CHIEF FINANCIAL OFFICER
FROM : DIRECTORATE :
SUBJECT : VIREMENT OF OPERATIONAL AND CAPITAL FUNDS
FINANCIAL YEAR : 2009/10

Transfer the following savings as identified on the current budget to the following budget allocations :

DECREASE VOTE NUMBER	INCREASE VOTE NUMBER	AMOUNT (CASH FLOW)											
		JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MCH	APR	MAY	JUN

MOTIVATION FOR TRANSFER :

It is hereby certified that the above requests for the transfer of funds adhere to the Virement Policy as approved by Council.

REQUESTED BY :

NAME	SIGNATURE	DATE

APPROVED BY DIRECTOR

NAME	SIGNATURE	DATE

SAVINGS CONFIRMED BY :

NAME	SIGNATURE	DATE

PROCESSED BY : DATE :

MOSSEL BAY MUNICIPALITY

**SUPPLY CHAIN
MANAGEMENT POLICY**

May 2012

Mossel Bay Municipality

SUPPLY CHAIN MANAGEMENT POLICY

This policy was adopted by the Municipality of Mossel Bay through Town Council Resolution E59-09/2005 in terms of Section 111 of the Municipal Finance Management Act, No 56 of 2003 and amended through Council Resolutions E28-05/2009, E61-05/2010, E160-12/2010, E68-05/2011 and E04-01/2012. This policy super cedes all other procurement policies previously in force at the Municipality.

TABLE OF CONTENTS

	PAGE
1. Definitions	4
CHAPTER 1: ESTABLISHMENT AND IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT	
2. Supply Chain Management Policy	7
3. Adoption and amendment of Supply Chain Management Policy	8
4. Delegation of supply chain management powers and duties	9
5. Sub-delegations	10
6. Oversight role of Council	12
7. Supply chain management unit	13
8. Training of supply chain management officials	13
CHAPTER 2: FRAMEWORK FOR SUPPLY CHAIN MANAGEMENT	
9. Format of supply chain management	14
<i>Part 1: Demand management</i>	
10. System of demand management	14
<i>Part 2: Acquisition management</i>	
11. System of acquisition management	15

12.	Range of procurement processes	16
13.	General preconditions for consideration of written quotations or bids	17
14.	List of accredited prospective providers	19
15.	Petty cash purchases	19
16.	Written quotations	20
17.	Formal written price quotations	21
18.	Procedures for procuring goods or services through written quotations and formal written price quotations	22
19.	Competitive bidding process	23
20.	Procedure for competitive bidding	23
21.	Bid documentation for competitive bids	24
22.	Public invitation for competitive bids	25
23.	Procedure for handling, opening and recording of bids	26
24.	Negotiations with preferred bidders	28
25.	Two-stage bidding process	28
26.	Committee system for competitive bids	28
27.	Bid Specification Committees	29
28.	Bid Evaluation Committees	31
29.	Bid Adjudication Committees	32
30.	Procurement of banking services	34
31.	Procurement of IT-related goods or services	34
32.	Procurement of goods and services under contracts secured by other organs of State	35
33.	Procurement of goods necessitating special safety arrangements	35
34.	Proudly SA Campaign	36
35.	Appointment of consultants	36
36.	Deviation from, and ratification of minor breaches of procurement processes	37

37.	Unsolicited bids	39
38.	Combating of abuse of Supply Chain Management System	41
39.	Contract management	43
40.	Performance Management	44
<i>Part 3: Logistics, Disposal, Risk and Performance Management</i>		
41.	Logistics management	45
42.	Disposal management	46
43.	Risk management	47
44.	Performance monitoring	48
<i>Part 4: Other matters</i>		
45.	Prohibition on awards to persons whose tax matters are not in order	49
46.	Prohibition on awards to persons in the service of the State	49
47.	Awards to close family members of persons in the service of the State	49
48.	Ethical standards	50
49.	Inducements, rewards, gifts and favours to municipalities, officials and other role players	52
50.	Sponsorships	53
51.	Objections and complaints	53
52.	Resolution of disputes, objections, complaints and queries	53
53.	Contracts providing for compensation based on turnover	55
54.	Construction Industry Development Board (CIDB)	55
55.	Archive of bidding documents	56
56.	Commencement	57
ANNEXURE A: National Treasury Code of Conduct		58

DEFINITIONS

1. In this Policy, unless the context indicates otherwise, a word or expression to which a meaning has been assigned in the Municipal Finance Management Act, No 56 of 2003, has the same meaning as in the Act, and -

"Accounting Officer" in relation to a Municipality means the municipal manager as described in Section 60 of the Local Government: Municipal Finance Management Act, No 56 of 2003.

"Commercial value" in relation to the sale or leasing of land or property relates to land or property which has a commercial value and can be sold or sub-let on a stand-alone basis and excludes small pockets of land such as small alley ways, erven or annexures which are only of value in relation to the adjoining properties or structures.

"competitive bidding process" means a competitive bidding process referred to in paragraph 12 (1) (d) of this Policy;

"consultants" mean consulting firms, engineering firms, legal firms, construction managers, management firms, procurement agents, inspection agents, auditors, other multinational organisations, investment and merchant banks, universities, research agencies, government agencies, non-governmental (NGO's) and individuals.

"competitive bid" means a bid in terms of a competitive bidding process;

"emergency" means a serious, unexpected, unforeseen and potentially dangerous and damaging situation requiring immediate action and which is not due to a lack of planning.

"final award" in relation to bids or quotations submitted for a contract, means the final decision on which bid or quote to accept;

"formal written price quotation" means quotations referred to in paragraph 12 (1)(c) of this Policy;

“in the service of the State” means to be -

- (a) a member of –
 - (i) any municipal council;
 - (ii) any provincial legislature; or
 - (iii) the National Assembly or the National Council of Provinces;
- (b) a member of the board of directors of any municipal entity;
- (c) an official of any Municipality or municipal entity;
- (d) an employee of any national or provincial department, national or provincial public entity or constitutional institution within the meaning of the Public Finance Management Act, 1999 (Act No.1 of 1999);
- (e) a member of the accounting authority of any national or provincial public entity; or
- (f) an employee of Parliament or a provincial legislature;

“long-term contract” means a contract with a duration period exceeding one year;

“list of accredited prospective providers” means the list of accredited prospective providers which a Municipality or municipal entity must keep in terms of paragraph 14 of this Policy;

“Municipality” means the Municipality of Mossel Bay

“Municipal Systems Act” means the Local Government: Municipal Systems Act, No 32 of 2000.

“other applicable legislation” means any other legislation applicable to municipal supply chain management, including -

- (a) the Preferential Procurement Policy Framework Act, No. 5 of 2000;
- (b) the Construction Industry Development Board Act, Act No. 38 of 2000;

“Procurement” is the acquisition of goods.

“Provincial Treasury” means the Treasury of the Western Cape Province.

“Plight of the poor” means the plight of a group of people or a section of a community where the majority of the households in a specific area qualify as indigent or poor in terms of the Municipality Consumer Care, Credit Control and Debt Collection Policy.

“PPPFA” means the Preferential Procurement Policy Framework Act, No 5 of 2000.

“Regulations” means the Local Government: Municipal Finance Management Act, 2003: Supply Chain Management Regulations (Notice 868 of 2000).

“Senior Manager” means a manager in the employment of the Mossel Bay Municipality who heads a directorate or sub-directorate or who reports to the municipal manager or a director or the head of a sub-directorate of the Municipality;

“Sole providers” can be broadly defined as manufacturers, licence holders, publishers, intellectual property holders or service providers appointed by a sole provider as their sole agent or distributor in a specific area

“Treasury guidelines” means any guidelines on supply chain management issued by the Minister in terms of section 168 of the Act;

“the Act” means the Local Government: Municipal Finance Management Act, No 56 of 2003;

“written quotations” means quotations referred to in paragraph 12(1)(b) of this Policy.

CHAPTER 1

ESTABLISHMENT AND IMPLEMENTATION OF SUPPLY CHAIN MANAGEMENT POLICY

SUPPLY CHAIN MANAGEMENT POLICY

2. (1) The **MUNICIPALITY OF MOSSEL BAY** has resolved in terms of Section 111 of the Municipal Finance Management Act, No 56 of 2003, to have and implement a Supply Chain Management Policy that:
- (a) gives effect to –
 - (i) section 217 of the Constitution; and
 - (ii) Part 1 of Chapter 11 and other applicable provisions of the Act;
 - (b) is fair, equitable, transparent, competitive and cost effective;
 - (c) complies with -
 - (i) the regulatory framework prescribed in Chapter 2 of the Regulations; and
 - (ii) any minimum norms and standards that may be prescribed in terms of Section 168 of the Act;
 - (d) is consistent with other applicable legislation;
 - (e) does not undermine the objective for uniformity in supply chain management systems between organs of State in all spheres; and
 - (f) is consistent with national economic policy concerning the promotion of investments and doing business with the public sector.
 - (g) assigns responsibility for the implementation of the policy to the Accounting Officer of the Municipality

- (h) in the absence of the Accounting Officer or if the Accounting Officer is impeded from doing his/her work assigns the responsibility for the implementation of the policy to the person acting in his stead or, alternatively, the Chief Financial Officer, subject to Sections 5(2) and 5(4) of the SCM Regulations.
- (2) The Municipality may not act otherwise than in accordance with this Supply Chain Management Policy when -
 - (a) procuring goods or services;
 - (b) disposing of goods no longer needed or which have become redundant;
 - (c) disposing or letting of fixed assets, including land, of proven commercial value no longer required for basic municipal service delivery purposes, subject to Sections 14 and 90 of the Act ;
 - (d) selecting contractors to provide assistance in the provision of municipal services otherwise than in circumstances where Chapter 8 of the Municipal Systems Act applies; or
 - (e) selecting external mechanisms referred to in Section 80 (1) (b) of the Municipal Systems Act for the provision of municipal services in circumstances contemplated in Section 83 of that Act.
- (3) Subparagraphs (1) and (2) of this Policy do not apply in the circumstances described in Section 110 (2) of the Act, except where specifically provided otherwise in this Policy.

ADOPTION AND AMENDMENT OF THE SUPPLY CHAIN MANAGEMENT POLICY

- 3. (1) The Accounting Officer must -
 - (a) at least annually review this Policy and its implementation; and
 - (b) when the Accounting Officer considers it necessary, submit proposals for the amendment of this Policy to the Council.

(2) If the accounting officer submits proposed amendments to the council that differs from the model policy issued by the National Treasury, the Accounting Officer must -

- (a) Ensure that such proposed amendments comply with the Regulations;
- (b) Report any deviation from this Policy to the National Treasury and the relevant Provincial Treasury.

(3) When amending this Supply Chain Management Policy, the need for uniformity in supply chain practices, procedures and forms between organs of State in all spheres, particularly to promote accessibility of supply chain management systems for small businesses, must be taken into account.

(4) The Accounting Officer must, in terms of section 62(1) (f) (iv) of the Act, take all reasonable steps to ensure that the Municipality has and implements this Supply Chain Management Policy.

DELEGATION TO SUPPLY CHAIN MANAGEMENT POWERS AND DUTIES

4. (1) The authority and power to create a Supply Chain Management Unit within the Policy framework of Council, with such support structures as may be necessary to give effect to the provisions of this Policy and legislation, is granted to the Accounting Officer in terms of Sections 79, 106 and 115 of the Act and Section 66 of the Municipal Systems Act.

(a) to discharge the supply chain management responsibilities conferred on Accounting Officers in terms of -

- (i) Chapter 8 or 10 of the Act; and
- (ii) the Supply Chain Management Policy;

(b) to maximise administrative and operational efficiency in the implementation of the Supply Chain Management Policy; and

- (c) to enforce reasonable cost-effective measures for the prevention of fraud, corruption, favouritism and unfair and irregular practices in the implementation of the Supply Chain Management Policy;
- (2) The Accounting Officer has the power to formulate such operational policies and procedures as may be necessary to give effect to the intentions of this Policy and enabling legislation. He/she may delegate his/her powers in writing to a member of the municipality's top management referred to in section 77 of the Act or any other official in terms of Section 79 of the Act in regard to supply chain management activities.
- (3) The Council or Accounting Officer may not delegate or sub-delegate any supply chain management powers or duties to a person who is not an official of the Municipality or to a committee which is not exclusively composed of officials of the Municipality;
- (4) Paragraph 4 (3) may not be read as permitting an official to whom the power to make final awards has been delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.

SUB-DELEGATIONS

- 5. (1) The Accounting Officer may, in terms of Section 79 of the Act, sub-delegate any supply chain management powers and duties, including those delegated to the Accounting Officer in terms of this Policy, but any such sub-delegation must be consistent with subparagraph 5 (2) and paragraph 4 of this Policy.
- (2) The power to make a final award -
 - (a) above R10 million (VAT included) may not be sub-delegated by the Accounting Officer;
 - (b) above R2 million (VAT included), but not exceeding R10 million (VAT included), may be sub-delegated but only to -

- (i) the Chief Financial Officer;
 - (ii) a Senior Manager; or
 - (iii) a Bid Adjudication Committee of which the Chief Financial Officer or a Senior Manager is a member; or
- (c) not exceeding R2 million (VAT included) may be sub-delegated but only to -
 - (i) the Chief Financial Officer;
 - (ii) a Senior Manager;
 - (iii) a Manager directly accountable to the Chief Financial Officer or a Senior Manager; or
 - (iv) a Bid Adjudication Committee.
- (3) An official or Bid Adjudication Committee to which the power to make final awards has been sub-delegated in accordance with subparagraph 4 (2) of this Policy, must within five working days of the end of each month, submit to the official referred to in subparagraph 4 of this Policy a written report containing particulars of each final award made by such official or committee during that month, including -
 - (a) the amount of the award;
 - (b) the name of the person to whom the award was made; and
 - (c) the reason why the award was made to that person.
 - (d) the status of the supplier's level of contribution.
- (4) A written report referred to in subparagraph 5(3) of this Policy must be submitted –
 - (a) to the Accounting Officer, in the case of an award by -
 - (i) the chief financial officer;
 - (ii) a senior manager;
 - (iii) a manager referred to in subparagraph 5 (2) (c) (iii) of this Policy; or

- (iv) a Bid Adjudication Committee of which the Chief Financial Officer or a Senior Manager is not a member.
 - (b) to the chief financial officer or the senior manager responsible for the relevant bid, in the case of an award by –
 - (i) a manager referred to in subparagraph 5(2)(c); or
 - (ii) a bid adjudication committee of which the chief financial officer or a senior manager is not a member.
- (5) Subparagraph 5 (3) and 5 (4) of this Policy do not apply to procurements out of petty cash.
- (6) This paragraph may not be interpreted as permitting an official to whom the power to make final awards has been sub-delegated, to make a final award in a competitive bidding process otherwise than through the committee system provided for in paragraph 26 of this Policy.
- (7) No supply chain management decision-making powers may be delegated to an advisor or consultant.

OVERSIGHT ROLE OF COUNCIL

- 6.
 - (1) The Council must maintain oversight over the implementation of this Supply Chain Management Policy.
 - (2) For the purposes of such oversight the Accounting Officer must -
 - (i) within 30 days of the end of each financial year, submit a report on the implementation of the Supply Chain Management Policy of the Municipality and of any municipal entity under its sole or shared control, to the Council of the Municipality; and
 - (ii) whenever there are serious and material problems in the implementation of the Supply Chain Management Policy, immediately submit a report to the Council.

- (3) The Accounting Officer must, within 10 days of the end of each quarter, submit a report on the implementation of the Supply Chain Management Policy to the Mayor.
- (4) The reports referred to in paragraph 6 (2) must be made public in accordance with Section 21A of the Municipal Systems Act, No 32 of 2000.
- (5) No Councillor of the Municipality may be a member of any municipal bid committee or any other committee evaluating or approving tenders, quotations, contracts or other bids, nor attend any such meeting as an observer.

SUPPLY CHAIN MANAGEMENT UNIT

- 7. (1) The Accounting Officer must establish a Supply Chain Management Unit and determine the terms of reference of the Unit to implement this Supply Chain Management Policy
- (2) The Supply Chain Management Unit shall operate as a centralised supply chain management function to administer and co-ordinate all the supply chain management activities and functions of the Municipality as described in this Policy unless a function or activity is specifically excluded by the Accounting Officer from the Unit's terms of reference.
- (3) The Supply Chain Management Unit will operate under the direct supervision of the Chief Financial Officer or an official to whom this duty has been delegated in terms of Section 82 of the Act.

TRAINING OF SUPPLY CHAIN MANAGEMENT OFFICIALS

- 8. The training of officials involved in implementing the Supply Chain Management Policy will be in accordance with any Treasury guidelines on supply chain management training.

CHAPTER 2

FRAMEWORK FOR SUPPLY CHAIN MANAGEMENT

FORMAT OF SUPPLY CHAIN MANAGEMENT

9. This Supply Chain Management Policy provides systems for -

Part 1

- (i) demand management

Part 2

- (ii) acquisition management

Part 3

- (iii) logistics management
(iv) disposal management
(v) risk management
(vi) performance management

PART 1

DEMAND MANAGEMENT

SYSTEM OF DEMAND MANAGEMENT

10. (1) The Accounting Officer must establish, through operational procedures, an effective system of demand management in order to ensure that the resources required to support the strategic and operational commitments are delivered at the correct time, at the right price and at the right location, and that the quantity and quality satisfy the needs.
- (2) The demand management system must –
- (a) include timely planning and management processes to ensure that all goods and services required by the municipality are quantified, budgeted for and timely and effectively delivered at the right locations and at the critical delivery dates, and are of the appropriate quality and quantity at a fair cost;

- (b) take into account any benefits of economies of scale that may be derived in the case of acquisitions of a repetitive nature; and
- (c) provide for the compilation of the required specifications to ensure that its needs are met.

PART 2
ACQUISITION MANAGEMENT

SYSTEM OF ACQUISITION MANAGEMENT

- 11.** (1) The Accounting Officer must establish, though operational procedures, an effective system of acquisition management in order to ensure -
- (a) that goods and services are procured by the Municipality in accordance with authorised processes only;
 - (b) that expenditure on goods and services is incurred in terms of an approved budget in terms of Section 15 of the Act;
 - (c) that the threshold values for the different procurement processes are complied with;
 - (d) that bid documentation, evaluation and adjudication criteria, and general conditions of a contract, are in accordance with any applicable legislation; and
 - (e) that any Treasury guidelines on acquisition management are properly taken into account.
- (2) This Supply Chain Management Policy, except where provided otherwise in the Policy, does not apply in respect of the procurement of goods and services contemplated in Section 110(2) of the Act, including -
- (a) water from the Department of Water Affairs or a public entity, another Municipality or a municipal entity; and

- (b) electricity from Eskom or another public entity, another Municipality or a municipal entity.
- (3) The following information must be made public wherever goods or services contemplated in Section 110(2) of the Act are procured other than through the Supply Chain Management system -
 - (a) the kind of goods or services; and
 - (b) the name of the supplier.

RANGE OF PROCUREMENT PROCESSES

- 12. (1) The procurement of goods and services through this Policy is provided by way of -
 - (a) petty cash purchases, up to a transaction value of R300, (VAT included), subject to the right of the Accounting Officer to increase the limit for petty cash purposes to R2 000 (VAT included).
 - (b) written quotations for procurements of a transaction value exceeding R300, including VAT and up to R30 000, including VAT.
 - (c) formal written price quotations for procurements of a transaction value exceeding R30 000 and up to R200 000 (VAT included); and
 - (d) a competitive bidding process for-
 - (i) procurements above a transaction value of R200 000 (VAT included); and
 - (ii) the procurement of long-term contracts.
- (2) The Accounting Officer may, in writing; -
 - (a) lower, but not increase, the different threshold values specified in subparagraph 12 (1); or

- (b) direct that -
 - (i) quotations be obtained as per the Municipality's Expenditure Policy for any specific procurement of a transaction value lower than R300 (VAT included);
 - (ii) written price quotations be obtained for any specific procurement of a transaction value lower than R30 000 (VAT included); or
 - (iii) formal written price quotations be obtained for any specific procurement of a transaction value exceeding R30 000 (VAT included) up to R200 000 (VAT included).
 - (iv) a competitive bidding process be followed for any specific procurement of a transaction value lower than R200 000 (VAT included).
- (3) Goods or services may not deliberately be split into parts or items of a lesser value merely to avoid complying with the requirements of the Policy. When determining transaction values, a requirement for goods or services consisting of different parts or items must as far as possible be treated and dealt with as a single transaction.

GENERAL CONDITIONS FOR CONSIDERATION OF WRITTEN QUOTATIONS/BIDS

- 13.** A formal written quotation or bid may not be considered unless the provider who submitted the quotation or bid -
- (a) has furnished that provider's -
 - (i) full name;
 - (ii) identification number or company or other registration number; and
 - (iii) tax reference number and VAT registration number, if any;
 - (b) In the case of transactions exceeding R30 000, including VAT:

- (i) a valid original Tax Clearance Certificate must accompany the bid documents unless the bidder is registered on the Accredited Supplier Database of the Municipality and the Municipality has a valid original Tax Clearance Certificate for the bidder on record. The onus is on the bidder to ensure that the Municipality has a valid original Tax Clearance Certificate on record. If the South African Revenue Services (SARS) cannot provide a valid original Tax Clearance Certificate; the bidder must submit a letter from SARS on an original SARS letterhead that their tax matters are in order.
- (ii) If the bid of the preferred bidder is not supported by a valid original Tax Clearance Certificate, either as an attachment to the bid documents or on record in the case of suppliers registered on the Supplier Database of the Municipality, the Municipality reserves the right to obtain such document, within a time as specified by the Municipality, after the closing date to verify that the bidder's tax matters are in order. If no such document can be obtained, the bid will be disqualified; and
- (c) has indicated -
 - (i) whether he or she is in the service of the State, or has been in the service of the State in the previous twelve months;
 - (ii) if the provider is not a natural person, whether any of its directors, managers, principal shareholders or stakeholder is in the service of the State, or has been in the service of the State in the previous twelve months; or
 - (iii) whether a spouse, child or parent of the provider or of a director, manager, shareholder or stakeholder referred to in subparagraph (ii) is in the service of the State, or has been in the service of the State in the previous twelve months.

LIST OF ACCREDITED PROSPECTIVE PROVIDERS

14 (1) The Accounting Officer must -

- (a) keep a list of accredited prospective providers of goods and services that must be used for the procurement requirements of the Municipality through written quotations and formal written price quotations; and
 - (b) at least once a year, through newspapers commonly circulating locally, the Municipality's website and any other appropriate ways, invite prospective providers of goods or services to apply for evaluation and listing as accredited prospective providers;
 - (c) specify the listing criteria for accredited prospective providers; and
 - (d) disallow the listing of any prospective provider whose name appears on the National Treasury's database as a person prohibited from doing business with the public sector.
- (2) The list must be updated at least quarterly to include any additional prospective providers and any new commodities or types of services. Prospective providers must be allowed to submit applications for listing at any time.
- (3) The list must be compiled per commodity and per type of service.
- (4) As, in terms of Paragraph 46, no award may be given to a person who is in the service of the state, it is expected of all prospective bidders to declare their interests in the application form for listing on the Accredited Supplier Database.

PETTY CASH PURCHASES

- 15. (1)** The Municipality's Expenditure Policy, as approved by the Accounting Officer, shall be applicable to all purchases not exceeding R300, including VAT, or such amount up to R2 000 (VAT included) as determined by the Accounting

Officer in terms of this Policy, or such other amount as may be legislated from time to time.

- (2) The Expenditure Policy must include conditions for petty cash purchases -
 - (a) determining the terms on which a manager may delegate responsibility for petty cash to an official reporting to the manager;
 - (b) limiting the number of petty cash purchases or the maximum amounts per month for each manager;
 - (c) excluding any types of expenditure from petty cash purchases, where this is considered necessary;
 - (d) requiring monthly reconciliation reports from each manager to the Chief Financial Officer, including -
 - (i) the total amount of petty cash purchases for that month; and
 - (ii) receipts and appropriate documents for each purchase; and
 - (e) only one quotation has to be obtained when procuring goods or services to a value of less than the petty cash threshold.

WRITTEN QUOTATIONS

- 16.** The Accounting Officer must establish the conditions for the procurement of goods or services through written quotations, which must include conditions stating
 - (a) that quotations must be obtained from at least three different providers, preferably from, but not limited to, providers whose names appear on the list of accredited prospective providers of the Municipality, provided that if quotations are obtained from providers who are not listed, such providers must meet the listing criteria as envisaged in subparagraphs 14 (1) (c) and (d) of this Policy;

- (b) that, to the extent feasible, providers must be requested to submit such quotation in writing;
- (c) that if it is not possible to obtain at least three quotations, the reasons must be recorded and reported quarterly to the Accounting Officer or another official designated by the Accounting Officer;
- (d) that the names of the potential providers requested to provide such quotations must be recorded together with their quoted prices.

FORMAL WRITTEN PRICE QUOTATIONS

- 17.** (1) The Accounting Officer must establish the conditions for the procurement of goods or services through formal written price quotations, which must include conditions stating
- (a) that quotations must be obtained in writing from at least three different providers whose names appear on the list of accredited prospective providers of the Municipality or municipal entity;
 - (b) that quotations may be obtained from providers who are not listed on the Municipality's Supplier Database, provided that such providers meet the listing criteria as envisaged in subparagraphs 14 (1) (c) and (d) of this Policy;
 - (c) that if it is not possible to obtain at least three quotations, the reasons must be recorded and approved by the Chief Financial Officer or an official designated by the Chief Financial Officer, and
 - (d) that the Accounting Officer must record the names of the potential providers and their written quotations.
- (2) A designated official referred to in subparagraph 5(1)(c) must within three working days of the end of each month report to the Chief Financial Officer on any approvals given during that month by that official in terms of that subparagraph.

PROCEDURES FOR PROCURING GOODS/SERVICES THROUGH WRITTEN QUOTATIONS AND FORMAL WRITTEN PRICE QUOTATIONS

- 18.** When goods or services are procured through written and formal written price quotations the following will apply -
- (a) all requirements in excess of R30 000 (VAT included) that are to be procured by means of formal written price quotations must, in addition to the requirements of paragraph 17, be advertised for at least seven (7) days on the website and an official notice board of the Municipality;
 - (b) when using the list of accredited prospective providers the ongoing competition amongst providers must be promoted, including by inviting providers to submit quotations on a rotation basis;
 - (c) offers received must be evaluated on a comparative basis taking into account unconditional discounts;
 - (d) offers below R30 000 (VAT included) must be awarded based on compliance to specifications and conditions of contract, ability and capability to deliver the goods and services and lowest price;
 - (e) acceptable offers, which are subject to the preference points system (PPPFA and associated regulations), must be awarded to the bidder who scored the highest points;
 - (f) all reasonable steps must be taken to ensure that the procurement of goods and services through written quotations or formal written price quotations is not abused;
 - (g) the Accounting Officer or his/her delegated authority must, on a monthly basis, be notified in writing of all written quotations and formal written price quotations accepted by an official acting in terms of a sub-delegation;
 - (h) proper records of all bid documents and related correspondence must be kept; and

- (i) a lockable safe tender box must be kept at the main municipal buildings in which quotations and/or tender or bid documents can be deposited 24 hours a day, seven days a week.

COMPETITIVE BIDDING PROCESS

- 19. (1) Goods or services above a transaction value of R200 000 (VAT included) and long-term contracts may only be procured through a competitive bidding process, subject to paragraph 11(2) of this Policy; and
- (2) No requirement for goods or services above an estimated transaction value of R200 000 (VAT included), may deliberately be split into parts or items of lesser value merely for the sake of procuring the goods or services otherwise than through a competitive bidding process.

PROCEDURE FOR COMPETITIVE BIDDING

- 20. The Accounting Officer must establish procedures for the competitive bidding process for each of the following stages:
 - (a) the compilation of bidding documentation;
 - (b) the public invitation of bids;
 - (c) site meetings or briefing sessions, if applicable;
 - (d) the handling of bids submitted in response to public invitation;
 - (e) the evaluation of bids;
 - (f) the award of contracts;
 - (g) the administration of contracts; and
 - (h) proper record keeping.

BID DOCUMENTATION FOR COMPETITIVE BIDS

21. The Municipality's bid documentation must, in addition to the requirements stated in 13 of this Policy -

- (a) take into account -
 - (i) the general conditions of contract and any special conditions of contract, if specified;
 - (ii) any Treasury guidelines on bid documentation; and
 - (iii) the requirements of the Construction Industry Development Board (CIDB), in the case of a bid relating to construction, upgrading or refurbishment of buildings or infrastructure;
- (b) include evaluation and adjudication criteria, including any criteria required by other applicable legislation;
- (c) compel bidders to declare any conflict of interest they may have in the transaction for which the tender is submitted;
- (d) compel bidders to declare their previous supply chain management practices and state whether or not they
 - (i) have been found guilty by a Court of Law or a structure established by Council or the Accounting Officer for handling alleged abuses of the Municipality or the municipal entity's supply chain management system or committed any improper conduct in relation to such a system.
 - (ii) have been convicted for fraud or corruption during the past five years
 - (iii) have wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years
 - (iv) have been listed in the Register for Tender Defaulters in terms of Section 29 of the Prevention and Combating of Corrupt Activities Act, No 12 of 2004.

- (e) if the value of the transaction is expected to exceed R10 million (VAT included), require bidders to furnish -
 - (i) if the bidder is required by law to prepare annual financial statements for auditing, their audited annual financial statements -
 - (aa) for the past three years; or
 - (bb) since their establishment if established during the past three years;
 - (ii) a certificate signed by the bidder certifying that the bidder has no undisputed commitments for municipal services towards a Municipality or other service provider in respect of which payment is overdue for more than 30 days;
 - (iii) particulars of any contracts awarded to the bidder by an organ of State during the past five years, including particulars of any material non-compliance or dispute concerning the execution of such contract;
 - (iv) a statement indicating whether any portion of the goods or services are expected to be sourced from outside the Republic, and, if so, what portion and whether any portion of payment from the Municipality is expected to be transferred out of the Republic; and
- (f) stipulate that disputes must be settled by means of mutual consultation, mediation (with or without legal representation), or, when unsuccessful, in a South African Court of Law.

PUBLIC INVITATION FOR COMPETITIVE BIDS

- 22.** The Accounting Officer must determine the procedure for the invitation of competitive bids, which must stipulate that:
- (1) (a) Any invitation to prospective providers to submit bids must be by means of a public advertisement in newspapers commonly circulating locally, the website of the Municipality or any other appropriate way

(which may include an advertisement in the Government Tender Bulletin); and

- (b) The information contained in a public advertisement, must include -
 - (i) the closure date for the submission of bids, which may not be less than 30 days in the case of transactions over R10 million (VAT included), or 14 days in any other case, from the date on which the advertisement is placed in a newspaper, subject to subparagraph 22(3) of this Policy; and
 - (ii) a statement that bids may only be submitted on the bid documentation provided by the Municipality.
- (2) Advertisements that are placed in the newspaper that circulates commonly are not deemed to be a deviation of the SCM process.
- (3) The Accounting Officer or his delegate may determine a closure date for the submission of bids which is less than the 30 or 14 days requirement, but only if such shorter period can be justified on the grounds of urgency or emergency or any exceptional case where it is impractical or impossible to follow the official procurement process.
- (4) Bids submitted must be sealed.
- (5) Where bids are requested in electronic format, such bids must be supplemented by sealed hard copies.

PROCEDURE FOR HANDLING, OPENING AND RECORDING OF BIDS

- 23.** (1) The Accounting Officer must determine the procedure for the handling, opening and recording of bids, which must stipulate that
 - (a) bids
 - (i) must be opened only in public;
 - (ii) must be opened simultaneously and as soon as possible after the period for the submission of bids has expired; and

- (iii) received after the closing time should not be considered and must be returned.
 - (b) any bidder or member of the public has the right to request that the names of the bidders who submitted bids in time must be read out and, if practical as well as subject to confidentiality or competitive considerations, also each bidder's total bidding price;
 - (c) bids that are received after the closing time will be marked late with an official stamp with the time at which it was received. The bidder will be notified of the action and the bid returned;
 - (d) only bids that have been placed in the Municipality's tender box or received and recorded at the Municipality's documentation centre will be regarded as having been received on time;
 - (e) Bids that are received late will not be considered.
- (2)
- (a) a register must be kept in which all bids received in time are recorded;
 - (b) the register must reflect the bid closing date, date and time of opening the bids, name and title of persons opening the bids together with their signatures and an indication as to whether any late submissions were received;
 - (c) the register must be signed by the user department in evidence of receiving the bid documents;
 - (d) the register must be available for public inspection; and
 - (e) the bid results must be published on the Municipality's website.

NEGOTIATIONS WITH PREFERRED BIDDERS

- 24.** (1) The Accounting Officer or his delegate may negotiate the final terms of a contract with bidders identified through a competitive bidding process as preferred bidders, provided that such negotiation -
- (a) do not allow any preferred bidder a second or unfair opportunity;
 - (b) are not to the detriment of any other bidder; and
 - (c) do not lead to a higher price than the bid as submitted.
- (2) Minutes of such negotiations must be kept for record purposes.

TWO-STAGE BIDDING PROCESS

- 25.** (1) A two-stage bidding process is allowed for -
- (a) large complex projects;
 - (b) projects where it may be undesirable to prepare complete detailed technical specifications; or
 - (c) long-term projects with a duration period exceeding three years.
- (2) In the first stage technical proposals on conceptual design or performance specifications should be invited, subject to technical as well as commercial clarifications and adjustments.
- (3) In the second stage final technical proposals and priced bids should be invited.

COMMITTEE SYSTEM FOR COMPETITIVE BIDS

- 26.** (1) The Accounting Officer is required to -
- (a) establish a committee system for competitive bids consisting of at least a -

- (i) Bid Specification Committee;
 - (ii) Bid Evaluation Committee; and
 - (iii) Bid Adjudication Committee;
 - (b) appoint the members of the Bid Adjudication Committee, taking into account Section 117 of the Act; and
 - (c) delegate the authority to appoint members of the other committees on an ad hoc basis to a senior manager as defined in paragraph 1 of this Policy.
 - (d) provide for an attendance or oversight process by a neutral or independent observer, appointed by the Accounting Officer, when this is appropriate for ensuring fairness and promoting transparency.
- (2) The committee system must be consistent with -
- (a) paragraphs 27, 28 and 29 of this Policy; and
 - (b) any other applicable legislation.
- (3) The Accounting Officer may apply the committee system to formal written price quotations.
- (4) All Committee proceedings must be duly minuted and attendance registers personally signed by all those present. These records must be filed with all other documentation relating to the relevant bid or quotation.

BID SPECIFICATION COMMITTEES

- 27.** (1) The Accounting Officer or his/her delegate must appoint a Bid Specification Committee on an ad hoc basis to compile the specifications for each procurement of goods or services by the Municipality.
- (2) Specifications -

- (a) must be drafted in an unbiased manner to allow all potential suppliers to offer their goods or services;
 - (b) must take account of any accepted standards such as those issued by Standards South Africa, the International Standards Organisation, or an authority accredited or recognised by the South African National Accreditation System with which the equipment or material or workmanship should comply;
 - (c) must where possible, be described in terms of performance required rather than in terms of descriptive characteristics for design;
 - (d) may not create trade barriers in contract requirements in the forms of specifications, plans, drawings, designs, testing and test methods, packaging, marking or labelling of conformity certification;
 - (e) may not make reference to any particular trade mark, name, patent, design, type, specific origin or producer unless there is no other sufficiently precise or intelligible way of describing the characteristics of the work, in which case such reference must be accompanied by the words “equivalent”; and
 - (f) must be approved by the Accounting Officer or Chairperson of the Bid Specification Committee prior to publication of the Invitation for bids in terms of paragraph 22 of this Policy.
- (3) The Bid Specification Committee must be composed of –
- (a) the director and one or more official from the department requiring the goods or services;
 - (b) at least one Supply Chain Management Practitioner of the Municipality; and
 - (c) may, when appropriate, include external specialist advisors.

- (4) No person, advisor or corporate entity involved with the Bid Specification Committee, or a director of such a corporate entity, may bid for any resulting contracts.

BID EVALUATION COMMITTEES

- 28. (1) The Accounting Officer or his/her delegate appoints the Bid Evaluation Committee on an ad hoc basis to -
 - (a) evaluate bids in accordance with -
 - (i) the specifications for a specific procurement; and
 - (ii) the points system set out in terms of the Preferential Procurement Regulations, 2011 and such other legislation as may be applicable.
 - (b) evaluate each bidder's ability to execute the contract;
 - (c) check in respect of the recommended bidder whether municipal rates and taxes and municipal service charges are not in arrears, and;
 - (d) submit to the Adjudication Committee a report and recommendations regarding the award of the bid or any other related matter.
- (2) The Bid Evaluation Committee must as far as possible be composed of -
 - (a) a senior manager;
 - (b) officials from departments requiring the goods or services; and
 - (c) at least one Supply Chain Management Practitioner of the Municipality.

BID ADJUDICATION COMMITTEES

- 29.** (1) The Bid Adjudication Committee, to be appointed as a Standing Committee by the Accounting Officer must -
- (a) consider the report and recommendations of the Bid Evaluation Committee; and either
 - (i) depending on its delegations, make a final award or a recommendation to the Accounting Officer to make the final award; or
 - (ii) make another recommendation to the Accounting Officer how to proceed with the relevant procurement.
- (2) The Bid Adjudication Committee must consist of at least four senior managers of the Municipality and must include -
- (i) the Chief Financial Officer or, if the Chief Financial Officer is not available, another manager in the budget and treasury office reporting directly to the Chief Financial Officer and designated by the Chief Financial Officer;
 - (ii) directors of the Municipality;
 - (iii) the Head: Expenditure of the Municipality;
 - (iv) at least one Senior Supply Chain Management practitioner who is an official of the Municipality; and
 - (v) if deemed necessary and appointed in writing by the Accounting Officer for a specific tender an internal technical expert in the relevant field if such an expert is available.
- (3) The Accounting Officer must appoint the chairperson of the Bid Adjudication Committee. If the chairperson is absent from a meeting, the members of the committee who are present must elect one of them to preside at the meeting.
- (4) Neither a member of a Bid Evaluation Committee, nor an advisor or person assisting the Evaluation Committee, may be a member of a Bid Adjudication Committee.

- (5) (a) If the Bid Adjudication Committee decides to award a bid other than the one recommended by the Bid Evaluation Committee, the Bid Adjudication Committee must, prior to awarding the bid -
 - (i) check in respect of the preferred bidder whether that bidder's municipal rates and taxes and municipal service charges are not in arrears, and;
 - (ii) notify the Accounting Officer.
 - (b) The Accounting Officer may -
 - (i) after due consideration of the reasons for the deviation, ratify or reject the decision of the Bid Adjudication Committee referred to in paragraph 5 (a); and
 - (ii) if the decision of the Bid Adjudication Committee is rejected, refer the decision back to that committee for reconsideration.
- (6) The Accounting Officer may, at any stage of a bidding process, refer any recommendation made by the Evaluation Committee or the Adjudication Committee back to that committee for reconsideration of the recommendation.
- (7) As required by Section 114 of the Act, if a tender other than the one recommended in the normal course of implementing this Policy is approved, the Accounting Officer must, in writing, notify the Auditor-General, the Provincial Treasury and the National Treasury of the reasons for deviating from such recommendation. This does not apply if a different tender was approved in order to rectify the irregularity. The accounting officer must comply with section 114 of the Act within 10 working days.
- (8) Only the Accounting Officer or directors of the municipality may cancel a bid. A written memorandum must be submitted to SCM clearly stating the reasons for the cancellation.
- (9) All cancellations of tenders must be reported to the Bid Adjudication Committee in writing.

PROCUREMENT OF BANKING SERVICES

- 30.** (1) Banking services -
- (a) must be procured through competitive bids;
 - (b) must be consistent with Section 7 or 85 of the Act; and
 - (c) must be for a period of five years at a time.
- (2) The process for procuring a contract for banking services must commence at least nine months before the end of an existing contract.
- (3) The closure date for the submission of bids may not be less than 60 days from the date on which the advertisement is placed in a newspaper in terms of paragraph 22 (1). Bids must be restricted to banks registered in terms of the Banks Act, No. 94 of 1990.

PROCUREMENT OF IT-RELATED GOODS OR SERVICES

- 31.** (1) The Accounting Officer may request the State Information Technology Agency (SITA) to assist with the acquisition of IT-related goods or services through a competitive bidding process.
- (2) Both parties must enter into a written agreement to regulate the services rendered by, and the payments to be made to, SITA.
- (3) The Accounting Officer must notify SITA together with a motivation of the IT needs if -
- (a) the transaction value of IT-related goods or services required in any financial year will exceed R50 million (VAT included); or
 - (b) the transaction value of a contract to be procured whether for one or more years exceeds R50 million (VAT included).
- (4) If a SITA comment on the submission and the Municipality disagrees with such comments, the comments and the reasons for rejecting or not following such comments must be submitted to Council, the National Treasury, the Provincial Treasury and the Auditor General.

PROCUREMENT OF GOODS AND SERVICES UNDER CONTRACTS SECURED BY OTHER ORGANS OF STATE

- 32.** (1) Goods or services may be procured under contract secured by another organ of State, but only if -
- (a) the contract has been secured by that other organ of State by means of a competitive bidding process applicable to that organ of State;
 - (b) there is no reason to believe that such contract was not validly procured;
 - (c) there are demonstrable discounts or benefits to do so; and
 - (d) that the other organ of State and the provider have consented to such procurement in writing.
- (2) Subparagraphs (1) (c) and (d) do not apply if -
- (a) a municipal entity of the Municipality procures goods or services through a contract secured by the Municipality; or
 - (b) the Municipality as the parent Municipality procures goods or services through a contract secured by the entity.

PROCUREMENT OF GOODS NECESSITATING SPECIAL SAFETY ARRANGEMENTS

- 33.** (1) The acquisition and storage of goods in bulk (other than water) which necessitate special safety arrangements, including gasses and fuel, should be avoided where ever possible.
- (2) Where the storage of goods in bulk is justified, such justification must be based on sound reasons, including the total cost of ownership, cost advantages and environmental impact and must be approved by the Accounting Officer.

PROUDLY SOUTH AFRICA CAMPAIGN

34. The Municipality supports the Proudly SA Campaign in its procurement of goods and services to the extent that, all things being equal, preference is given to procuring local goods and services from:

- Firstly, suppliers and businesses within the municipal district of Mossel Bay;
- Secondly, suppliers and businesses within the Eden District Municipal area
- Thirdly, suppliers and businesses within the Western Cape province
- Fourthly, suppliers and businesses within the rest of the Republic of South Africa

APPOINTMENT OF CONSULTANTS

35. (1) Consulting services may be procured provided that any Treasury guidelines as attached in respect of consulting services are taken into account when such procurements are made.

(2) Consultancy services as defined in the attached Treasury Guidelines must be procured through competitive bids if -

- (a) the value of the contract exceeds R200 000 (VAT included); or
- (b) the duration period of the contract exceeds one year.

(3) In addition to any requirements prescribed by this Policy for competitive bids, bidders must furnish particulars of -

- (a) all consultancy services provided to an organ of State in the last five years; and
- (b) any similar consultancy services provided to an organ of State in the last five years.

- (4) The Accounting Officer must ensure that copyright in any document produced, and the patent rights or ownership in any plant, machinery, thing, system or process designed or devised, by a consultant in the course of the consultancy service is vested in the Municipality.
- (5) Measures to ensure that consultancy assignments are executed in such a way that the ethical principles of the relevant profession are met at all times must be imposed.

This includes ensuring that advice received is unbiased, i.e. free from any affiliation, economic or otherwise, which may cause conflict between the consultant's interest and those of the Municipality.

DEVIATION FROM AND RATIFICATION OF MINOR BREACHES OF PROCUREMENT PROCESSES

- 36.** (1) The Accounting Officer or a senior official of the Municipality to whom the Accounting Officer has delegated the authority in writing may -
- (a) Dispense with the official procurement processes established by this Policy and to procure any required goods or services through any convenient process, which may include direct negotiations, but only -
 - (i) in an emergency as defined in paragraph 1 of this Policy;
 - (ii) if such goods or services are produced or available from a single provider only;
 - (iii) for the acquisition of special works of art or historical objects where specifications are difficult to compile;
 - (iv) acquisition of animals for zoos and/or nature and game reserves; or
 - (v) if such goods or services have already been acquired by the Municipality from a specific supplier or service provider and subsequent maintenance, amendments, or modifications by other suppliers or service providers are prohibited, restricted or

impossible because of guarantee, legal, licensing or such other requirements, or it will be impractical or uneconomical to acquire additional similar goods or services from another supplier or service provider; or

- (vi) in any other exceptional case where it is impractical or impossible to follow the official procurement processes;
- (vii) in any Expanded Public Works Programme (EPWP) learnership projects which have been identified and registered as such.

- (b) Ratify any minor breaches of the procurement processes by an official or committee acting in terms of delegated powers or duties which are purely of a technical nature.

- (2) The Accounting Officer must record the reasons for any deviations in terms of subparagraphs 36 (1) (a) and (b) above and report them to the next meeting of the Council and include as a note to the annual financial statements.

- (3) Subparagraph 36 (2) does not apply to the procurement of goods and services contemplated in paragraph 11(2) of this Policy.

- (4) In case of emergencies, the following procedure should be followed:

- (i) telephonic approval should be obtained from the SCM unit as well as the Director of the department requiring the goods or services;
- (ii) written recommendations must be obtained within 3 (three) working days from SCM as well as the relevant Director; and
- (iii) final approval has to be obtained from the Accounting Officer, before an order will be issued.

- (5) The following will be deemed not to be deviations from SCM processes:

- (i) Advertisements that are placed in the newspaper that is commonly circulated.

- (ii) Advertisements that are placed in National Government and Provincial Government Gazettes.
- (iii) The acquisition of services of attorneys, advocates and labour relations practitioners subject thereto that the acquisition of such services be dealt within terms of the Municipality's Delegation of Powers and Duties as amended from time to time and any Bargaining Council Agreements on Disciplinary Procedures.
- (iv) The acquisition of accommodation and air travel for official purposes subject thereto that the acquisition of such services be dealt within terms of the Municipality's Payment of Travel and Subsistence for Councillors and Officials Policy as amended from time to time as well as in terms of the Municipality's Delegation of Powers and Duties as amended from time to time.
- (v) The procurement of fuel from any recognised Fuel Company and their depots, except when fuel is procured for the Municipal Depot.
- (vi) Vehicles serviced by the agent in terms of the warranty or service plan of the vehicle.
- (vii) The acquisition of services of medical specialists as may be required from time to time and in terms of the Pension Funds Amendment Act, Act 65 of 2001 and related regulations and amendments.
- (viii) The acquisition of services from a service provider that is a specialist in a specific and restricted field, as approved by the Accounting Officer or his/her delegated, whose services the municipality may require from time to time.

UNSOLICITED BIDS

- 37.** (1) In accordance with Section 113 of the Act the Municipality has no obligation to consider unsolicited bids received outside a normal bidding process.

- (2) The Accounting Officer may, however, decide in terms of Section 113(2) of the Act to consider an unsolicited bid, only if -
 - (a) the product or service or proposal offered in terms of the bid is a demonstrably or proven unique, innovative or valuable concept; and/or
 - (b) the product or service or proposal will be exceptionally beneficial, or have exceptional cost advantages to the Municipality;
 - (c) the bidder who made the bid is the sole provider of the product or service or is the only proposer of the concept; and
 - (d) the reasons for not going through the normal bidding processes are found to be sound by the Accounting Officer.
- (3) If the Accounting Officer decides to consider an unsolicited bid that complies with subparagraph 37 (2) of this Policy, the decision must be made public in accordance with Section 21A of the Municipal Systems Act, together with -
 - (a) reasons as to why the bid should not be open to other competitors;
 - (b) an explanation of the potential benefits if the unsolicited bid is accepted; and
 - (c) an invitation to the public or other potential suppliers to submit their comments within 30 days of the notice.
- (4) All written comments received pursuant to subparagraph 37 (3), including any responses from the unsolicited bidder, must be submitted to the National Treasury and the relevant Provincial Treasury for comment.
- (5) The Adjudication Committee must consider the unsolicited bid and may award the bid or make a recommendation to the Accounting Officer, depending on its delegations.

- (6) A meeting of the Adjudication Committee to consider an unsolicited bid must be open to the public.
- (7) When considering the matter, the Adjudication Committee must take into account -
 - (a) any comments submitted by the public; and
 - (b) any written comments and recommendations of the National Treasury or the Provincial Treasury.
- (8) If any recommendations of the National Treasury or the Provincial Treasury are rejected or not followed, the Accounting Officer must submit to the Auditor General, the Provincial Treasury and the National Treasury the reasons for rejecting or not following those recommendations.
- (9) Such submission must be made within seven days after the decision on the award of the unsolicited bid is taken, but no contract committing the Municipality to the bid may be entered into or signed within 30 days of the submission.
- (10) Unsolicited bids for the purchase and/or development or renting of municipal land or fixed property of commercial value as defined in paragraph 1 of this Policy will not be considered.

COMBATING OF ABUSE OF SUPPLY CHAIN MANAGEMENT SYSTEM

- 38.** (1) The Accounting Officer must
- (a) take all reasonable steps to prevent abuse of the Supply Chain Management System;
 - (b) investigate any allegations against an official or other role player of fraud, corruption, favouritism, unfair or irregular practices or failure to comply with this Supply Chain Management Policy, and when justified

- (i) take appropriate steps against such official or other role player; or
 - (ii) report any alleged criminal conduct to the South African Police Service.
- (c) check the National Treasury's database prior to awarding any contract to ensure that no recommended bidder, or any of its directors, is listed as a person prohibited from doing business with the public sector;
- (d) reject any bid from a bidder -
 - (i) if any municipal rates and taxes or municipal service charges owed by that bidder or any of its directors to the Municipality, or to any other Municipality or municipal entity, are in arrears for more than three months, except if an arrangement has been made in terms of the Municipality's Credit Control Policy. This arrangement must already be in place on or before the date and time the bid is advertised; or
 - (ii) who, during the last five years, has failed to perform satisfactorily on a previous contract with the Municipality; or any other organ of State after written notice was given to that bidder that performance was unsatisfactory;
- (e) reject a recommendation for the award of a contract if the recommended bidder, or any of its directors, has committed a corrupt or fraudulent act in competing for the particular contract;
- (f) cancel a contract awarded to a person if -
 - (i) the person committed any corrupt or fraudulent act during the bidding process or the execution of the contract; or
 - (ii) an official or other role player committed any corrupt or fraudulent act during the bidding process or the execution of the contract that benefited that person; and

- (g) reject the bid of any bidder if that bidder or any of its directors -
 - (i) has been found guilty by a Court of Law or a structure established by Council or the Accounting Officer for investigating or the arbitration of related to abuses of the Supply Chain Management System of the Municipality or has committed any improper conduct in relation to such system;
 - (ii) has been convicted for fraud or corruption during the past five years;
 - (iii) has wilfully neglected, reneged on or failed to comply with any government, municipal or other public sector contract during the past five years; or
 - (iv) has been listed in the Register for Tender Defaulters in terms of Section 29 of the Prevention and Combating of Corrupt Activities Act, No 12 of 2004.
- (2) The Accounting Officer must inform the National Treasury and the Provincial Treasury in writing of any actions taken in terms of subparagraphs 38 (1)(b)(ii), (e) or (f) above.

39. CONTRACT MANAGEMENT

- (1) All contracts entered into by the Municipality in the tender process referred to in paragraph 19 of this Policy must -
 - (a) be in writing;
 - (b) stipulate the terms and conditions of the contract or agreement, which must include provisions providing for –
 - (i) the termination of the contract or agreement in the case of non- or under-performance;
 - (ii) dispute resolution mechanisms to settle disputes between parties;
 - (iii) a periodic review of the contract or agreement once every three years in the case of a contract or agreement for longer than three years; and
 - (iv) any other matter that may be prescribed.

- (c) include the General Conditions of Contract as prescribed by National Treasury.
 - (d) specify the duration of the contract;
 - (e) specify the payment terms in respect of the goods or service supplied;
 - (f) be monitored by the Directorate of the Municipality which requested the goods or service to ensure that all the contract requirements are met.
- (2) Unauthorised deviations or breaches of the contract as in paragraph 39 (1) (d) above by the supplier or service provider must be reported to the Head: Legal Services for initiating appropriate action as well as to the SCM Unit which must enter the details in a register for the recording of such deviations and breaches.
- (3) Copies must be made of original signed contracts entered into in the course of the implementation of this Policy and the original document must be forwarded to the SCM Unit for safekeeping or filing in the Documentation Centre of the Municipality together with the bid committee documentation related to the contract.

PERFORMANCE MANAGEMENT

- 40** (1) The head of the municipal department which required the goods or a service in terms of a competitive bidding process must ensure that the goods had been delivered or the service completed according to the Municipality's quality and other requirements as specified in the relevant bid documentation.
- (2) In the case of non-performance or unsatisfactory performance by a supplier, the department concerned must give notice to the supplier or service provider in writing and by registered mail to comply with the contract terms failing which
- (i) the contract may be cancelled and the supplier be held responsible for damages or costs which the Municipality may incur because of the non-performance

- (ii) penalties as specified in the contract or agreement with the supplier or service provider may be invoked.
- (3) In the case of goods and services supplied in response to a quotation invited by the Municipality the head of the client department or section of the Municipality which requested the goods or service must certify on the supplier's invoice that the goods or service had been supplied in accordance with the Municipality's requirements before payment is made.
- (4) In the case of goods or services procured through a tender process as specified in terms of paragraph 19 of this Policy, the head or section of the relevant department must within a 30 (thirty) working days of the final delivery of the required work submit a written report to the Head of Supply Chain Management on the performance of the supplier.
- (5) The report must state -
 - (a) whether or not the performance of the supplier was satisfactory in terms of adherence to specifications and delivery or completion schedules, product or service quality and quality of workmanship;
 - (b) include details, supported by copies of any written notifications regarding service delivery given to the supplier.
 - (c) include a recommendation on any further action to be taken against the supplier in terms of paragraph [section] 38 of this Policy.

PART 3

LOGISTICS, DISPOSAL AND RISK MANAGEMENT AND PERFORMANCE MONITORING

LOGISTICS MANAGEMENT

- 41. The Accounting Officer must establish an effective system of logistics management which must include –

- (a) the monitoring of spending patterns on types or classes of goods and services incorporating, where practical, the coding of items to ensure that each item has a unique number;
- (b) the setting of inventory levels that includes minimum and maximum levels and lead times wherever goods are placed in stock;
- (c) the placing of manual or electronic orders for all acquisitions other than those from petty cash;
- (d) before payment is approved, certification by the responsible delegated employee that the goods and services are received or rendered on time and is in accordance with the order, the general conditions of contract and specifications where applicable and that the price charged is as quoted in terms of a contract;
- (e) appropriate standards of internal control and warehouse management to ensure that goods placed in stores are secure and only used for the purpose for which they were purchased;
- (f) regular checking to ensure that all assets including official vehicles are properly managed, appropriately maintained and only used for official purposes; and
- (g) monitoring and review of the supply vendor performance to ensure compliance with specifications and contract conditions for particular goods or services.

DISPOSAL MANAGEMENT

- 42.** The Accounting Officer must establish an effective system of disposal management for the disposal or letting of assets, including unserviceable, redundant or obsolete assets, immovable property, subject to Sections 14 and 90 of the Act, which must stipulate the following:

The disposal of assets must -

- (a) be by one of the following methods -
 - (i) transferring the asset to another organ of State in terms of a provision of the Act enabling the transfer of assets;
 - (ii) transferring the asset to another organ of State at market - related value or, when appropriate, free of charge;
 - (iii) selling the asset by way of an auction or a competitive bidding process; or

- (iv) destroying the asset;
- (b) provided that -
 - (i) immovable property may be sold only at market-related prices except when the public interest or the plight of the poor demands otherwise;
 - (ii) movable as well as immovable assets may be sold at market-related prices either by way of written price quotations, a competitive bidding process or auction, whichever is the most advantageous;
 - (iii) in the case of the free disposal of computer equipment, the Provincial Department of Education must first be approached to indicate within 30 days whether any of the local schools are interested in the equipment; and
 - (iv) in the case of the disposal of firearms, the National Conventional Arms Control Committee has approved any sale or donation of firearms to any person or institution within or outside the Republic;
- (c) furthermore ensure that -
 - (i) immovable property is let at market-related rates except when the public interest or the plight of the poor demands otherwise; and
 - (ii) all fees, charges, rates, tariffs, scales of fees or other charges relating to the letting of immovable property are annually reviewed; and
- (d) ensure that where assets are traded in for other assets, the highest possible trade-in price is negotiated.

RISK MANAGEMENT

- 43.** (1) The Accounting Officer must establish an effective system of risk management for the identification, consideration and avoidance of potential risks in the Supply Chain Management system.

- (2) Risk management must include -
- (a) the identification of risks on a case-by-case basis;
 - (b) the allocation of risks to the party best suited to manage such risks;
 - (c) acceptance of the cost of the risk where the cost of transferring the risk is greater than that of retaining it;
 - (d) the management of risks in a pro-active manner and the provision of adequate cover for residual risks; and
 - (e) the assignment of relative risks to the contracting parties through clear and unambiguous contract documentation.

PERFORMANCE MONITORING

- 44.** (1) The Accounting Officer must establish an effective internal monitoring system in order to determine, on the basis of a retrospective analysis, whether the authorised supply chain management processes were followed and whether the desired objectives were achieved.
- (2) Issues to be reviewed include:
- Compliance to norms and standards;
 - Cost-efficiency of the supply chain management process; and
 - Whether supply chain practices are consistent with the Government's broader policy focus.

PART 4

OTHER MATTERS

PROHIBITION ON AWARDS TO PERSONS WHOSE TAX MATTERS ARE NOT IN ORDER

45. (1) The Accounting Officer must ensure that, irrespective of the procurement process followed, no award above R30 000 (VAT included) is given to a person whose tax matters have not been declared by the South African Revenue Service (SARS) to be in order.

PROHIBITION ON AWARDS TO PERSONS IN THE SERVICE OF THE STATE

46. (1) No award may be given to a person -
- (a) who is in the service of the State; or
 - (b) if that person is not a natural person, of which any director, manager, principal shareholder or stakeholder is a person in the service of the State; or
 - (c) who is an advisor or consultant contracted with the Municipality or municipal entity.
- (2) As no award may be given to a person who is in the service of the state, it is expected of all prospective bidders to declare their interests in the prescribed forms in bidding documents.

AWARDS TO CLOSE FAMILY MEMBERS OF PERSONS IN THE SERVICE OF THE STATE

- 47.** (1) The notes to the annual financial statements must disclose particulars of any award of more than R2 000 (VAT included) to a person who is a spouse, child or parent of a person in the service of the State, or has been in the service of the State in the previous twelve months, including -
- (a) the name of that person;
 - (b) the capacity in which that person is in the service of the State; and
 - (c) the amount of the award.
- (2) All Supply Chain Management officials have to disclose and declare related parties on an annual basis.
- (3) All key management personnel have to disclose and declare related parties on an annual basis.
- (4) All members of Bid Committees have to declare their interest and disclose and declare related parties for each and every bid that they serve on as a member of a Bid Committee.

ETHICAL STANDARDS

- 48.** (1) A code of ethical standards is hereby established for officials and other role players in the Supply Chain Management System in order to promote -
- (a) mutual trust and respect; and
 - (b) an environment where business can be conducted with integrity and in a fair and reasonable manner.
- (2) An official or other role player involved in the implementation of the Supply Chain Management Policy:
- (a) must treat all providers and potential providers equitably;
 - (b) may not use his or her position for private gain or to improperly benefit another person;

- (c) may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350 (VAT included);
 - (d) notwithstanding subparagraph 48(2)(c), must declare to the Accounting Officer details of any reward, gift, favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;
 - (e) must declare to the Accounting Officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process of, or in any award of a contract by, the Municipality;
 - (f) must immediately withdraw from participating in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;
 - (g) must be scrupulous in his or her use of property belonging to the Municipality;
 - (h) must assist the Accounting Officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system; and
 - (i) must report to the Accounting Officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including –
 - (i) any alleged fraud, corruption, favouritism or unfair conduct;
 - (ii) any alleged contravention of paragraph 49(1) of this Policy; or
 - (iii) any alleged breach of this code of ethical standards.
- (3) Declarations in terms of subparagraph 49 (2) (d) and (e) -

- (a) must be recorded in a register which the Accounting Officer must keep for this purpose;
 - (b) by the Accounting Officer must be made to the Mayor of the Municipality who must ensure that such declarations are recorded in the register.
- (4) The National Treasury's code of conduct must also be taken into account by supply chain management practitioners and other role players involved in supply chain management.
- (5) The National Treasury Code of Conduct for Supply Management Practitioners, attached as Annexure A, is adopted by the Municipality and shall apply mutatis mutandis to and be binding on supply chain management practitioners and other role players involved in the supply chain management of the Municipality.
- (6) A breach of the code of conduct adopted by the Municipality must be dealt with in accordance with Schedule 1 (Code of Conduct for Councillors) and Schedule 2 (Code of Conduct for Municipal Staff Members) of the Municipal Systems Act, No 32 of 2000.

INDUCEMENTS, REWARDS, GIFTS AND FAVOURS TO MUNICIPALITIES, OFFICIALS AND OTHER ROLE PLAYERS

- 49.** (1) No person who is a provider or prospective provider of goods or services, or recipient or prospective recipient of goods disposed or to be disposed of may either directly or through a representative or intermediary promise, offer or grant -
- (a) any inducement or reward to the Municipality for or in connection with the award of a contract; or
 - (b) any reward, gift, favour or hospitality to -
 - (i) any official; or
 - (ii) any other role player involved in the implementation of the Supply Chain Management Policy.

- (2) The Accounting Officer must promptly report any alleged contravention of subparagraph 49(1) to the National Treasury for considering whether the offending person, and any representative or intermediary through which such person is alleged to have acted, should be listed in the National Treasury's database of persons prohibited from doing business with the Public Sector.
- (3) Subparagraph 49(1) does not apply to gifts less than R350 (VAT included) in value.

SPONSORSHIPS

- 50. The Accounting Officer must promptly disclose to the National Treasury and the Provincial Treasury any sponsorship promised, offered or granted, whether directly or through a representative or intermediary, by any person who is -
 - (a) a provider or prospective provider of goods or services; or
 - (b) a recipient or prospective recipient of goods disposed or to be disposed.

OBJECTIONS AND COMPLAINTS

- 51. Persons aggrieved by decisions or actions taken in the implementation of this Supply Chain Management policy, may lodge within 14 days of the decision or action, a written objection or complaint against the decision or action.

RESOLUTION OF DISPUTES, OBJECTIONS, COMPLAINTS AND QUERIES

- 52. (1) The Accounting Officer must appoint an independent and impartial person or persons, not directly involved in the supply chain management processes -
 - (a) to assist in the resolution of disputes between the Municipality and other persons regarding –

- (i) any decisions or actions taken in the implementation of the Supply Chain Management system; or
 - (ii) any matter arising from a contract awarded in the course of the Supply Chain Management system; or
- (b) to deal with objections, complaints or queries regarding any such decisions or actions or any matters arising from such contract.
- (2) An entity under the sole or shared control of the Municipality may for purposes of subparagraph 52 (1) appoint the same person.
- (3) The Accounting Officer, or another official designated by the Accounting Officer, is responsible for assisting the appointed person to perform his or her functions effectively.
- (4) The person appointed must -
 - (a) strive to resolve promptly all disputes, objections, complaints or queries received; and
 - (b) submit monthly reports to the Accounting Officer on all disputes, objections, complaints or queries received, attended to or resolved.
- (5) A dispute, objection, complaint or query may be referred to the relevant Provincial Treasury if -
 - (a) the dispute, objection, complaint or query is not resolved within 60 days; or
 - (b) no response is forthcoming within 60 days.
- (6) If the Provincial Treasury does not or cannot resolve the matter, the dispute, objection, complaint or query may be referred to the National Treasury for resolution.
- (7) This paragraph must not be read as affecting a person's rights to approach a court at any time.

CONTRACTS PROVIDING FOR COMPENSATION BASED ON TURNOVER

- 53.** If a service provider acts on behalf of a Municipality to provide any service or act as a collector of fees, service charges or taxes and the compensation payable to the service provider is fixed as an agreed percentage of turnover for the service or the amount collected, the contract between the service provider and the Municipality must stipulate -
- (a) a cap on the compensation payable to the service provider; and
 - (b) that such compensation must be performance based.

CONSTRUCTION INDUSTRY DEVELOPMENT BOARD

- 54.** The Construction Industry Development Board (CIDB) has been established by government to promote the uniform application of policy to the construction industry.

- (1) When calling for construction related bids -
 - (i) the prescribed CIDB (uniformity standard bid documents) may be utilised;
 - (ii) only Contractors registered with the CIDB may be used;
 - (iv) all projects must be advertised on the CIDB i-tender system;
 - (v) consultants used in the procurement process must adhere to the CIDB legislation;
 - (vi) consultants used in the procurement process are prohibited to provide goods, works or services related to the project; and
 - (vii) subcontract arrangements and joint venture initiatives must be aligned to CIDB guidelines and requirements.
- (2) When evaluating construction related bids -
 - (i) the validity of the contractor's registration on the CIDB website must be verified;
 - (ii) the contractor's registration will be verified and has to be valid on the day the Bid Evaluation Committee evaluates the bid;
 - (iii) the bidder's documents must be assessed against the prescribed CIDB contractor requirements; and

- (iv) calculations for joint venture gradings must be done according to the CIDB prescriptions.
- (3) Other matters -
 - (i) all projects approved by the Municipality must be registered with the CIDB;
 - (ii) contracts registered on the i-tender systems must be updated and completed; and
 - (iv) non-performance and non-compliance of contractors must be reported to the CIDB as per CIDB guidelines.

ARCHIVE OF BIDDING DOCUMENTS

- 55.**
- (1) Bidding documents have to be kept in a safe.
 - (2) The following will be applicable before the destruction of any documents:
 - (i) Closed quotation documents have to be kept for a minimum of five (5) years;
 - (ii) The documents for tenders that were awarded for a period of less than one (1) year must be kept for a minimum of five (5) years;
 - (iii) The documents for tenders that were awarded for a period of more than one (1) year must be kept for a minimum of six (6) years or for a period of six (6) years after the completion of the project;
 - (iv) No documents can be destroyed without the written permission of the relevant director; and
 - (v) No documents of successful bidders may be destroyed.

COMMENCEMENT

56. This revised policy takes effect on 1 July 2012.

oooOOOooo

ANNEXURE A**Mossel Bay Municipality
SUPPLY CHAIN MANAGEMENT POLICY****NATIONAL TREASURY CODE OF CONDUCT FOR SUPPLY CHAIN MANAGEMENT
PRACTITIONERS**

In accordance with the Regulations for Supply Chain Management issued in terms of section 168 of the Municipal Finance Management Act, 2003 (MFMA), National Treasury is required to issue a Code of Conduct for Supply Chain Management Practitioners that should be adhered to by all officials and other role players involved in supply chain management. The purpose of this Code of Conduct is to promote mutual trust and respect and an environment where business can be conducted with integrity and in a fair and reasonable manner.

1. General Principles

The Government of South Africa commits itself to a policy of fair dealing and integrity in the conducting of its business. The position of a supply chain management (SCM) practitioner is, therefore, a position of trust, implying a duty to act in the public interest. Practitioners should not perform their duties to unlawfully gain any form of compensation, payment or gratuities from any person, or provider/contractor for themselves, their family or their friends.

Practitioners should ensure that they perform their duties efficiently, effectively and with integrity, in accordance with the relevant legislation and National Treasury Regulations and Guidelines. They should ensure that public resources are administered responsibly.

Practitioners should be fair and impartial in the performance of their functions. They should at no time afford any undue preferential treatment to any group or individual or unfairly discriminate against any group or individual. They should not abuse the power and authority vested in them.

2. Conflict of interest

An official or other role player involved with supply chain management

- (a) must treat all providers and potential providers equitably;
- (b) may not use his or her position for private gain or to improperly benefit another person;
- (c) may not accept any reward, gift, favour, hospitality or other benefit directly or indirectly, including to any close family member, partner or associate of that person, of a value more than R350;
- (d) must declare to the accounting officer details of any reward, gift favour, hospitality or other benefit promised, offered or granted to that person or to any close family member, partner or associate of that person;
- (e) must declare to the accounting officer details of any private or business interest which that person, or any close family member, partner or associate, may have in any proposed procurement or disposal process, or in any award of a contract by the municipality or municipal entity;
- (f) must immediately withdraw from participating. in any manner whatsoever in a procurement or disposal process or in the award of a contract in which that person, or any close family member, partner or associate, has any private or business interest;
- (g) must declare any business, commercial and financial interests or activities undertaken for financial gain that may raise a possible conflict of interest;
- (h) should not place him/herself under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties; and
- (i) should not take improper advantage of their previous office after leaving their official position.

3. Accountability

- Practitioners are accountable for their decisions and actions to the public.
- Practitioners should use public property scrupulously. Only accounting officers or their delegates have the authority to commit the government to any transaction for the procurement of goods and/or services.
- All transactions conducted by a practitioner should be recorded and accounted for in an appropriate accounting system. Practitioners should not make any false or misleading entries into such a system for any reason whatsoever.
- Practitioners must assist the accounting officer in combating fraud, corruption, favouritism and unfair and irregular practices in the supply chain management system.
- Practitioners must report to the accounting officer any alleged irregular conduct in the supply chain management system which that person may become aware of, including:
 - (i) any alleged fraud, corruption, favouritism or unfair conduct;
 - (ii) any alleged contravention of the policy on inducements, rewards, gifts and favours to municipalities or municipal entities, officials or other role players; and any alleged breach of this code of conduct.
 - (iii) Any declarations made must be recorded in a register that the accounting officer must keep for this purpose.

4. Openness

Practitioners should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only if it is in the public interest to do so.

5. Confidentiality

- Any information that is the property of the government or its providers should be protected at all times. No information regarding any bid / contract / bidder / contractor may be revealed if such an action will infringe on the relevant bidder's / contractor's personal rights.
- Matters of confidential nature in the possession of supply chain practitioners should be kept confidential unless legislation, the performance of duty or the provisions of law requires otherwise. Such restrictions should also apply after separation from service.

6. Bid Evaluation / Adjudication Committees

Bid evaluation / adjudication committees should regulate supply chain management on behalf of the institution in an honest, fair, impartial, transparent, cost-effective and accountable manner in accordance with the Accounting Officer's directives/delegated powers.

The evaluation / adjudication committee may be authorized to deal with all supply chain management matters and finalise bids/price quotations in accordance with the directives/delegated powers of the accounting officer.

Bid evaluation / adjudication committees should be familiar with and adhere to the prescribed legislation, directives and procedures in respect of supply chain management in order to perform effectively and efficiently.

All members of bid adjudication committees should be cleared at the level of "CONFIDENTIAL" and should be required to declare their financial interest annually.

No person should interfere with the supply chain management system on an institution; or amend or tamper with any bid after its submission.

7. Combative Practices

Combative practices are unethical and illegal and should be avoided at all cost. They include but are not limited to:

- (i) Suggestions to fictitious lower quotations;
- (ii) Reference to non-existent competition;
- (iii) Exploiting errors in bids;
- (iv) Soliciting bids from bidders whose names appear on the National Treasury's database of persons prohibited from doing business with the public sector.

oooOOOooo

MOSSEL BAY MUNICIPALITY
SUPPLY CHAIN MANAGEMENT POLICY

DOCUMENT AND VERSION CONTROL

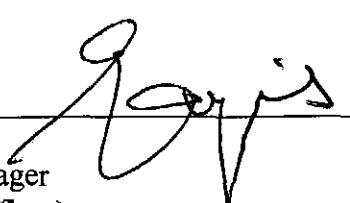
Date: May 2012

Summary: This document describes the Supply Chain Management policy that will be applicable to the Mossel Bay Municipality, with effect from

1 July 2012

Signature: _____

Municipal Manager
(Accounting Officer)

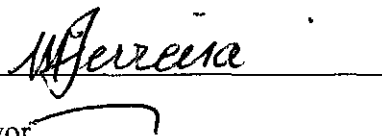


Date : _____

13/6/2012

Signature: _____

Executive Mayor



Date: _____

13 June 2012

ANNEXURE C

2012/13 MTREF DETAILED CAPITAL BUDGET

Mossel Bay Municipality

CAPITAL PROGRAM: MOSSEL BAY MUNICIPALITY 2012/13 TO 2014/05					2012/2013		2013/2014		2014/2015		
NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
	A: MUNICIPAL MANAGER										
A1	MUNICIPAL MANAGER:ADMIN										
1	Municipal Manager :Admin	Shelter for the homeless	16		1,500,000	0	0	0	0	0	CEH11.9
					1,500,000	0	0	0	0	0	
A2	MUNICIPAL SERVICES:LEGAL SERVICES										
1	Municipal Manager: Legal Service	Furniture, Tools & Equipment- Legal Services	17		10,000	0	0	0	0	0	MTID11.12
2	Municipal Manager: Legal Services	Furniture, Tools & Equipment- Municipal Court	17		300,000	0	0	0	0	0	MTID11.12
	Municipal Manager:Admin TOTAL				310,000	0	0	0	0	0	
A3	COUNCIL GENENRAL										
1	Municipal Manager :Admin	Replacement of the Mayor's Vehicle-CBS 1	17		0	0	500,000	0	0	0	MTID11.12
	Council General TOTAL				0	0	500,000	0	0	0	
	Total: Municipal Manager				1,810,000	0	500,000	0	0	0	

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
	B: CORPORATE SERVICES										
B1	CORPORATE SERVICES: ADMINISTRATION										
1	Support Services	Extension of clock system	17		100,000	0	100,000	0	0	0	FYM11.11
2	Support Services	High Volume Photocopy Machine	17		0	0	320,000	0	0	0	MTID11.12
3	Support Services	Replacement of CBS 2339 Condor	17		0	0	360,000	0	0	0	MTID11.12
4	Support Services	Automatic Fire Detection and co2 Fire Suppression- Achieves at Town Hall	17		155,000	0	0	0	0	0	G&C11.10
5	Support Services	Furniture, Tools & Equipment-Records	17		5,600	0	0	0	0	0	MTID11.12
6	Support Services	Furniture, Tools & Equipment-Typists	17		8,330	0	6,800	0	0	0	MTID11.12
7	Support Services	Furniture,Tools and Equipment-IDP	17		15,000	0	0	0	0	0	MTID11.12
8	Support Services	Enhancement: Security Camera	17		90,000	0	0	0	0	0	MTID11.12
	Corporate Services: Administration TOTAL				373,930	0	786,800	0	0	0	
B2	HUMAN RESOURCES										
1	Human Resources	Furniture, Tools & Equipment	17		15,000	0	25,000	0	0	0	MTID11.12
	Human Resources TOTAL				15,000	0	25,000	0	0	0	
B3	SOCIO-ECON.PLANNING/DEVELOPMENT										
1	Socio- Economic Planning/ Development	Vehicle Management System	17		5,800	0	0	0	0	0	FYM11.11
2	Socio- Economic Planning/ Development	Thusong Centre- Related Buildings	16	M.I.G	0	4,000,000	0	0	0	0	CEH11.9
3	Socio- Economic Planning/ Development	Roaming MIC's -Ward Committe's	17	M.S.I.G	0	0	0	0	0	0	G&C11.10
4	Socio- Economic Planning/ Development	Sound System-Ward Committee's	17	M.S.I.G	0	0	0	0	0	0	G&C11.10
5	Socio- Economic Planning/ Development	Replacement of CBS 26767 (LED)	17		130,000	0	0	0	0	0	MTID11.12
6	Socio- Economic Planning/ Development	Photocopy machine-CDW's	17		0	0	0	0	55,000	0	MTID11.12
7	Socio- Economic Planning/ Development	Furniture, Tools and Equipment-CDW's	17	C.D.W.	0	20,000	0	15,000	0	15,000	MTID11.12
	Socio-Econ.Planning/Development TOTAL				135,800	4,020,000	0	15,000	55,000	15,000	
	Total: Corporate Services				524,730	4,020,000	811,800	15,000	55,000	15,000	

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
	C: FINANCIAL SERVICES										
C1	FINANCIAL SERVICES: ADMINISTRATION										
1	Financial Services: Administration	Furniture,Tools & Equipment	17		15,000	0	15,000	0	0	0	MTID11.12
	Financial Services: Administration TOTAL				15,000	0	15,000	0	0	0	
C2	COMPUTER CENTRE										
1	Financial Services:Computer Centre	New Promun Server	17		0	0	0	0	0	0	FYM11.11
2	Financial Services:Computer Centre	Harddrive Capacity for Collaborator	17		44,000	0	0	0	0	0	G&C11.10
3	Financial Services:Computer Centre	Furniture,Tools & Equipment-IT	17		3,000	0	0	0	0	0	MTID11.12
4	Financial Services:Computer Centre	Computer Leases	17	Leases/Ext. Loan	0	699,000	0	175,000	0	485,000	G&C11.10
5	Financial Services: Computer Centre	Additional HDD for Tivoli Back	17		50,000	0	0	0	0	0	G&C11.10
6	Financial Services: Computer Centre	UPS for radio network points	17		15,000	0	0	0	0	0	G&C11.10
7	Financial Services: Computer Centre	Upgrade AD File Servers	17		38,000	0	0	0	0	0	G&C11.10
	Computer Centre TOTAL				150,000	699,000	0	175,000	0	485,000	
C3	SUPPLY CHAIN MANAGEMENT										
1	Financial Services: Supply Chain Management	Furniture,Tools & Equipment-SCM	17		14,340	0	0	0	0	0	MTID11.12
	Supply Chain Management TOTAL				14,340	0	0	0	0	0	
C4	INCOME										
1	Financial Services: Income Section	Furniture,Tools & Equipment-Income	17		10,000	0	15,000	0	15,000	0	MTID11.12
2	Financial Services: Income Section	Hand Held Terminals for Meter Readers	17		90,000	0	0	0	0	0	FYM11.11
	Valuations TOTAL				100,000	0	15,000	0	15,000	0	
C5	EXPENDITURE										
1	Financial Services: Expenditure Section	Furniture,Tools & Equipment-Expenditure	17		11,500	0	0	0	0	0	MTID11.12
	Financial Services: Expenditure Section TOTAL				11,500	0	0	0	0	0	
	Total: Financial Services				290,840	699,000	30,000	175,000	15,000	485,000	

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
	CIVIL SERVICES									0	
D1	CIVIL SERVICES:ADMINISTRATION										
1	Civil Services: Administration	Furniture, Tools & Equipment	17		10,000	0	10,000	0	10,000	0	MTID11.12
2	Civil Services: Administration	Vehicle Management System	17		12,000	0	0	0	0	0	FYM11.11
	Civil Services: Administration TOTAL				22,000	0	10,000	0	10,000	0	
D2	STREETS AND STORMWATER										
1	Roads, Stormwater & Drainage: Stormwater	Improve Stormwater :									
a)		Amy Searle Greenhaven/ Marigold (Enlarge culvert)	14		550,000	0	450,000	0	1,000,000	0	RSW11.1
b)		Sandhoogtepad	4		0	0	500,000	0	500,000	0	RSW11.1
c)		S/W Outlet at Outeniqua Strand	5		200,000	0	0	0	0	0	RSW11.1
d)		Elandslaagte Street:Hartenbos	10		250,000	0	0	0	0	0	RSW11.1
2	Roads, Stormwater & Drainage: Stormwater	Improve stormwater drainage:									
a)		S/W Eureka Park	5		0	0	0	0	0	0	RSW11.1
b)		S/W Hersham	5		0	0	0	0	1,500,000	0	RSW11.1
c)		Stormwater:Cape Road	8		250,000	0	0	0	0	0	RSW11.1
3	Roads, Stormwater & Drainage: Stormwater	Extension of S/W culvert between Hartenzicht and Station	10		910,000	0	0	0	0	0	RSW11.1
4	Roads, Stormwater & Drainage: Stormwater	Provision of S/W outlet Nootgedacht Parking Area Bayview	10		720,000	0	0	0	0	0	RSW11.1
5	Roads, Stormwater & Drainage: Stormwater	Provision of S/W system in Iota Street	6		180,000	0	0	0	0	0	RSW11.1
6	Roads, Stormwater & Drainage: Stormwater	Stormwater between Diaz and Twee Kuilen	10		150,000	0	0	0	0	0	RSW11.1
7	Roads, Stormwater & Drainage: Stormwater	Enlargement of stormwater system: Ravine close to Blue waters	12		0	0	350,000	0	0	0	RSW11.1
8	Roads, Stormwater & Drainage: Stormwater	Provision of S/W Derde and Swart Street: Tergniet	5		0	0	300,000	0	0	0	RSW11.1
9	Roads, Stormwater & Drainage: Stormwater	New major stormwater system-Wolwedans	14		500,000	0	500,000	0	500,000	0	RSW11.1
10	Roads, Stormwater & Drainage: Stormwater	New stormwater and sidewalks - Thembehle, Kwa	2		0	0	90,000	0	0	0	RSW11.2
11	Roads, Stormwater & Drainage: Stormwater	Point Area (Road, Parking, Walkway)	8		3,000,000	0	3,500,000	0	3,500,000	0	RSW11.2
12	Roads, Stormwater & Drainage: Streets	Pavements:									
a)		CBD- Mossel Bay	8		200,000	0	200,000	0	300,000	0	RSW11.2
b)		Sampson Street	13		200,000	0	0	0	0	0	RSW11.2

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
13	Roads, Stormwater & Drainage: Streets	Replacement of all paving infrastructure in New Sunny Side area	8		0	0	0	0	200,000	0	RSW11.2
14	Roads, Stormwater & Drainage: Streets	Pave Walkway: behind the rugby stadium (Oktober and Heunis Street)	9		0	0	0	0	120,000	0	RSW11.2
15	Roads, Stormwater & Drainage: Streets	Paving entrance: Primary School, Herbertsdale	7		0	0	45,000	0	0	0	RSW11.2
16	Roads, Stormwater & Drainage: Streets	Sidewalks:									
a)		Herbertsdale	7		0	0	0	0	50,000	0	RSW11.2
b)		Tulip Street	8		0	0	0	0	140,000	0	RSW11.2
c)		Curlew Street	9		0	0	0	0	200,000	0	RSW11.2
d)		George Road	8		0	0	0	0	0	0	RSW11.2
e)		Adriaans Street	11		0	0	0	0	200,000	0	RSW11.2
17	Roads, Stormwater & Drainage: Streets	Pave Sidewalks Danabaai (Flora Road)	11		0	0	200,000	0	200,000	0	RSW11.2
18	Roads, Stormwater & Drainage: Streets	Pave Sidewalks KwaNonqaba- Stofile	3		0	0	200,000	0	0	0	RSW11.2
19	Roads, Stormwater & Drainage: Streets	Pedestrian Walkway Greenhaven	14		0	0	200,000	0	0	0	RSW11.2
20	Roads, Stormwater & Drainage: Streets	Kerbs & Sidewalks: Tarka	8		35,000	0	0	0	0	0	RSW11.2
21	Roads, Stormwater & Drainage: Streets	New Paving along Station Road- from Watson's to Stores	5		0	0	0	0	0	0	RSW11.2
22	Roads, Stormwater & Drainage: Streets	Paving Gleniqua Drive	5		0	0	0	0	0	0	RSW11.2
23	Roads, Stormwater & Drainage: Streets	Construction paving/sidewalks on one side of Garreth Street in Bayview	10		0	0	0	0	0	0	RSW11.2
24	Roads, Stormwater & Drainage: Streets	Construction of walkway alongside Kaaimansroad up to Long Street	5		0	0	0	0	0	0	RSW11.2
25	Roads, Stormwater & Drainage: Streets	Construction of a walkway alongside Longstreet from corner of Kaaiman Street to Police Station	5		0	0	0	0	0	0	RSW11.2
26	Roads, Stormwater & Drainage: Streets	Tarring of Streets & Roads :									
a)		Hoy Street	5		0	0	0	0	0	0	RSW11.1
b)		Maanlig Street	7		0	0	0	0	650,000	0	RSW11.1
c)		Oickers Turning Circle	5		150,000	0	0	0	0	0	RSW11.1
d)		Carelse Street (Kwa 3)	2		700,000	0	0	0	0	0	RSW11.1
e)		Gleniqua Drive East	5		400,000	0	0	0	0	0	RSW11.1
f)		Parking area Animal Hospital-Hartenbos Heuwels	7		0	0	100,000	0	0	0	RSW11.1
g)		Piper Colt Street	13		0	0	0	0	241,000	0	RSW11.1
h)		Nofemele Street	3		0	0	600,000	0	0	0	RSW11.1
i)		Omega Street	6		0	0	0	0	0	0	RSW11.1
j)		Titus Street	9		145,000	0	0	0	0	0	RSW11.1
k)		Short streets in Eureka Park	5		100,000	0	0	0	500,000	0	RSW11.1
l)		Elf Street	5	Page 5 of 29	250,000	0		0	0	0	RSW11.1
m)		Gallie	5		0	0	275,000	0	0	0	RSW11.1

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
n)		Kolster	5		0	0	0	0	0	0	RSW11.1
o)		Stegman	5		0	0	0	0	0	0	RSW11.1
p)		Aerostar Street	13		0	0	0	0	0	0	RSW11.1
27	Roads, Stormwater & Drainage: Streets	Rebuild gravel roads in Greatbrak Heights, Hoogte Pad-North/South and Stasiekop	5		0	0	200,000	0	200,000	0	RSW11.1
28	Roads, Stormwater & Drainage: Streets	Tar/Pave of Begonia and Daisy Streets	14		0	0	500,000	0	600,000	0	RSW11.2
29	Roads, Stormwater & Drainage: Streets	E.P.W.P : Pave Gravel Roads all areas:									
a)		Brandwag Entrance Road West (280m)	4	E.P.W.P	0	664,000	0	0	0	0	RSW11.2
b)		Maanlig Street (160m)	7	E.P.W.P	0	370,000	0	0	0	0	RSW11.2
c)		Wolwedans	14	E.P.W.P	0	1,427,000	0	0	0	0	RSW11.2
d)		Mandela Street-Rehabilitate Main Roads	14	M.I.G	0	1,500,000	0	0	0	0	RSW11.2
e)		Dyusha Street-Rehabilitate Main Roads	2	M.I.G	0	1,000,000	0	0	0	0	RSW11.2
f)		Malusi Street-Rehabilitate Main Roads	2	M.I.G	200,000	469,686	0	300,314	0	0	RSW11.2
g)		Piper Colt Street-New Roads & Stormwater	13	M.I.G	0	241,000	0	0	0	0	RSW11.2
h)		Seneca Street-New Roads & Stormwater	13	M.I.G	0	700,000	0	0	0	0	RSW11.2

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
i)		Stuurman Street-New Roads & Stormwater	2	M.I.G	0	1,075,042	0	0	0	0	RSW11.2
j)		Internal Road 5-Rehabilitate Bus/Main Bus Routes	4	M.I.G	0	2,000,000	0	0	0	0	RSW11.2
k)		Internal Road 6-Rehabilitate Bus/Main Bus Routes	4	M.I.G	0	0	0	1,000,000	0	0	RSW11.2
l)		Megan Street-Rehabilitate Bus/Main Bus Routes	2	M.I.G	0	800,000	0	0	0	0	RSW11.2
m)		Centurian Street-Rehabilitate Bus/Main Bus Routes	13	M.I.G	0	878,068	0	0	0	0	RSW11.2
n)		Chris Hani-Rehabilitate Bus/Main Bus Routes	7	M.I.G	0	1,000,000	0	0	0	0	RSW11.2
o)		Graceland-Rehabilitate Bus/Main Bus Routes	7	M.I.G	0	0	0	1,000,000	0	0	RSW11.2
p)		Wolwedans-Rehabilitate Main Routes (250m)	14	M.I.G	0	661,997	0	0	0	0	RSW11.2
q)		N Damons Street	12	M.I.G	0	0	0	0	0	115,000	RSW11.2
r)		Enkululekweni Street	3	M.I.G	0	0	0	300,000	0	0	RSW11.2
s)		Nofemele Street	3	M.I.G	0	0	0	600,000	0	0	RSW11.2
t)		Pawnwee Street	13	M.I.G	0	0	0	420,000	0	0	RSW11.2
u)		Begonia Street	14	M.I.G	0	0	0	500,000	0	0	RSW11.2
v)		Emdeni Street	3	M.I.G	0	0	0	773,856	0	0	RSW11.2
w)		Nonzame Street: KwaNonqaba	1		145,200	0	0	0	0	0	RSW11.2
x)		Lindela Street	3	M.I.G	0	0	0	0	0	145,000	RSW11.2
y)		Mayekiso Street	3	M.I.G	0	0	0	0	0	365,000	RSW11.2
z)		Sandhoogte	4	M.I.G	0	0	0	0	0	1,300,000	RSW11.2
aa)		Daisy	14	M.I.G	0	0	0	0	0	600,000	RSW11.2
ab)		Cupido	7	M.I.G	0	0	0	0	0	1,400,000	RSW11.2
ac)		Dahlia	7	M.I.G	0	0	0	0	0	594,000	RSW11.2
ad)		Benton	7	M.I.G	0	0	0	0	0	1,125,000	RSW11.2
30	Roads, Stormwater & Drainage: Streets	Upgrade Montagu Street - Rebuild road	8		0	0	0	0	1,500,000	0	RSW11.1
31	Roads, Stormwater & Drainage: Streets	Rebuild Tar Roads:									
a)		Van Zyl Street: Tergniet	5		0	0	1,000,000	0	500,000	0	RSW11.1
b)		Harris Street: Tergniet	5		0	0	0	0	0	0	RSW11.1
c)		Dolphin Crescent: Tergniet	5		0	0	450,000	0	0	0	RSW11.1

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
d)		Swart Street: Tergniet	5		0	0	0	0	0	0	RSW11.1
e)		Access Road from T. Ndanda and D. Ellis	12		132,000	0	0	0	0	0	RSW11.1
f)		Bayview Street	8		0	0	0	0	0	0	RSW11.1
g)		Cupido Street	7		0	0	0	0	700,000	0	RSW11.1
h)		Dahlia Street	7		0	0	0	0	594,000	0	RSW11.1
i)		Benton Street	7		0	0	0	0	0	0	RSW11.1
j)		Kort Street	7		0	0	0	0	0	0	RSW11.1
k)		Hunter Street	7		0	0	500,000	0	0	0	RSW11.1
l)		Terrence Ndanda Street	12		0	0	0	0	0	0	RSW11.1
32	Roads, Stormwater & Drainage: Streets	Rebuild Kusweg KBRT	5		1,400,000	0	1,500,000	0		0	RSW11.1
33	Roads, Stormwater & Drainage: Streets	Rebuild Riley Powrie-Meyer	8		250,000	0	0	0	0	0	RSW11.1
34	Roads, Stormwater & Drainage: Streets	Rebuild Gleniqua Drive	5		0	0	0	0	0	0	RSW11.1
35	Roads, Stormwater & Drainage: Streets	Furniture, Tools & Equipment	17		45,000	0	50,000	0	45,000	0	MTID11.12
36	Roads, Stormwater & Drainage: Streets	Purchase of Tractor	17		0	0	260,000	0	0	0	MTID11.12
37	Roads, Stormwater & Drainage: Streets	Parking Areas:									
a)		Cape Road-Park School	8		-	0	0	0	0	0	RSW11.1
b)		Rheebok/ Tergniet	5		450,000	0	550,000	0	0	0	RSW11.1
c)		Cemetery	8		0	0	0	0	600,000	0	RSW11.1
d)		Herbertsdale Sports complex	7		0	0	0	0	0	0	RSW11.1
e)		Parking at Hartenbos Primary School	10		100,000	0	0	0	0	0	RSW11.1
f)		New Parking Area 2nd Beach (Dana Bay)	11		0	0	1,500,000	0	0	0	RSW11.1
g)		New Parking Area 1st Beach (Dana Bay)	11		1,390,000	0	0		0	0	RSW11.1
38	Roads, Stormwater & Drainage: Streets	N.M.T- Facilities all areas	16		0	0	0	0	0	0	RSW11.1
39	Roads, Stormwater & Drainage: Streets	Purchase of new vehicle: LDV for GBR	17		160,000	0	0	0	0	0	MTID11.12
40	Roads, Stormwater & Drainage: Streets	New Trailers X2	17		0	0	0	0	150,000	0	MTID11.12
41	Roads, Stormwater & Drainage: Streets	Facilities and Shelters:Taxi Rank Kwa-Nonqaba	3		0	0	0	0	1,500,000	0	RSW11.1
42	Roads, Stormwater & Drainage: Streets	Minibus Taxi Facilities:All Areas (Adriaans Street)	16		500,000	0	500,000	0	0	0	RSW11.1

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
43	Roads, Stormwater & Drainage: Streets	Extension to Apiesdoring	6		1,000,000	0	0	0	0	0	RSW11.1
44	Roads, Stormwater & Drainage: Streets	Asazani/Zinyoka Main Access Roads	15	M.I.G	0	0	0	0	0	1,500,000	RSW11.1
45	Roads, Stormwater & Drainage: Streets	New Road Link between Essenhout street and Bill Jeffrey	15		0	0	0	0	0	0	RSW11.1
46	Roads, Stormwater & Drainage: Streets	Stabilizing the bank of the Klien Brak River with gabions	5		300,000	0	0	0	0	0	RSW11.1
47	Roads, Stormwater & Drainage: Streets	Construction of steps in Greenhaven	14		0	0	210,000	0	0	0	RSW11.1
48	Roads, Stormwater & Drainage: Streets	Armco Barriers in Voorbrug Road	5		0	0	80,000	0	0	0	RSW11.1
49	Roads, Stormwater & Drainage: Streets	Purchase of new Flatbed Truck and Trailer CBS3496	17		0	0	550,000	0	0	0	MTID11.12
50	Roads, Stormwater & Drainage: Streets	Purchase of new Tipper Truck CAW 52378	17		700,000	0	0	0	0	0	MTID11.12
51	Roads, Stormwater & Drainage: Streets	New S/W and pavements in 2 and 4th Avenues (Riverside)	5		200,000	0	0	0	0	0	RSW11.1
52	Roads, Stormwater & Drainage: Streets	Enhance of existing tar road by providing edging - Bantom Street, KwaNongaba	1		0	0	0	0	110,000	0	RSW11.1
53	Roads, Stormwater & Drainage: Streets	New TLB (Replacement) CBS 33212	17		700,000	0	0	0	0	0	MTID11.12
54	Roads, Stormwater & Drainage: Streets	Road from Louis Fourie to Correctional Services	11		0	0	0	0	0	0	RSW11.1
55	Roads, Stormwater & Drainage: Streets	Multi access road from Louis Fourie Road to Dana Bay	11		0	0	200,000	0	0	0	RSW11.1
56	Roads, Stormwater & Drainage: Streets	Enhance of Flora and Malva intersection	11		0	0	0	0	300,000	0	RSW11.1
57	Roads, Stormwater & Drainage: Streets	Curbing Malva Street	11		0	0	90,000	0	0	0	RSW11.1
58	Roads, Stormwater & Drainage: Streets	Gravel circles in Khayelithsa	2		268,000	0	0	0	0	0	RSW11.1
	Streets and Stormwater TOTAL				16,830,200	12,786,793	15,650,000	4,894,170	16,600,000	7,144,000	

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
D3	SEWERAGE										
1	Sewerage: Purification Services-Pinnacle Point	Pinnacle Point Sewerage: Mechanical Screen	11		635,000	0	0	0	0	0	S11.3
2	Sewerage: Purification Services	Regional Sewer : New VSD aerators	15		80,000	0	0	0	100,000	0	S11.3
3	Sewerage: Purification Services	Regional Sewer: New Do Meters	17		0	0	0	0	0	0	MTID11.12
4	Sewerage: Purification Services	Upgrade Telemetry	16		100,000	0	100,000	0	100,000	0	S11.3
5	Sewerage: Purification Services	Regional Sewerage Works: Sludge Drying Beds	15		1,300,000	0	1,300,000	0	1,300,000	0	S11.3
6	Sewerage: Purification Services	Great Brak Sewerage Works: Plant Upgrade from 1ML/day to 4ML/day	15		0	0	0	0	0	0	S11.3
7	Sewerage: Purification Services	Pinnacle Point Sewerage: New Fencing	11		0	0	0	0	0	0	S11.3
8	Sewerage: Purification Services	Pinnacle Point Sewerage:Aircon -MCC and Control Room	17		30,000	0	0	0	0	0	G&C11.10
9	Sewerage: Purification Services	Great Brak Sewerage : New Fencing	15		200,000	0	0	0	0	0	S11.3
10	Sewerage: Purification Services	Regional Sewerage: New Aerators Old Sludge holding basin	15		0	0	100,000	0	0	0	S11.3
11	Sewerage: Purification Services	Regional Sewerage: New Waste pumps Old sludge pump stations	15		190,000	0	120,000	0	0	0	S11.3
12	Sewerage: Purification Services	Regional Sewerage: Aerators and Mixers Old Reactor	15		120,000	0	150,000	0	200,000	0	S11.3
13	Sewerage: Purification Services	Regional Sewerage: New MCC-Inlet and Control Room	15		0	0	0	0	430,000	0	S11.3
14	Sewerage: Purification Services	Regional Sewer Works-Replace Dewatering Machine	15		0	0	800,000	0	900,000	0	S11.3
15	Sewerage: Purification Services	Regional Sewerage Works:Entrance Road	15		0	0	0	0	400,000	0	S11.3
16	Sewerage: Purification Services	Furniture, Tools & Equipment	17		10,000	0	10,000	0	10,000	0	MTID11.12
17	Sewerage: Purification Services	Regional Sewerage: Aircon for MCC Room and Offices	17		45,000	0	0	0	0	0	MTID11.12
18	Sewerage: Purification Services	Replace old model pump Stations with new ones	16		430,000	0	520,000	0	700,000	0	S11.3
19	Sewerage: Purification Services	Fencing Sewer Pump Stations	16		100,000	0	100,000	0	150,000	0	S11.3
20	Sewerage: Purification Services	New Level-Sensor for Sewer Pits	17		170,000	0	170,000	0	170,000	0	MTID11.12
21	Sewerage: Purification Services	New Connections	16	Rec. Developer	0	200,000	0	200,000	0	200,000	S11.3
22	Sewerage: Purification Services	Grinder for solids at VPS	15		900,000	0	0	0	0	0	S11.3
23	Sewerage: Purification Services	Friemersheim: New Sewer Pumpstations	14		870,000	0	0	0	0	0	S11.3
24	Sewerage: Purification Services-Regional Plant	New Standby Airblower	15		0	0	80,000	0	0	0	MTID11.12
25	Sewerage: Purification Services-Regional Plant	Construct Flamable liquids storage facility	15		25,000	0	0	0	0	0	S11.3
26	Sewerage: Purification Services-Great Brak	Additional Rotating Screen	15		0	0	500,000	0	0	0	S11.3

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
27	Sewerage: Purification Services-Herbertsdale	Rebuild Gravel Entrance to sewer treatment plant	7		0	0	0	0	400,000	0	S11.3
28	Sewerage: Purification Services-Friemersheim	New concrete structure and pipework at inlet works	14		0	0	0	0	1,000,000	0	S11.3
29	Sewerage: Network	Midbrak Main Sewer Network	5		0	0	2,000,000	0	1,000,000	0	S11.3
30	Sewerage: Network	Furniture, Tools & Equipment	17		45,000	0	50,000	0	45,000	0	MTID11.12
31	Sewerage: Network	Asla Park-Replace Sewer lines	3		870,000	0	1,100,000	0	1,200,000	0	S11.3
32	Sewerage: Network	Enlarge Sewerlines-KwaNonqaba	1		870,000	0	1,100,000	0	1,200,000	0	S11.3
33	Sewerage : Reticulation Services	New Sewer Lines : D'almeida	9		1,100,000	0	1,200,000	0	0	0	S11.3
34	Sewerage: Reticulation Services	Replacement of Vehicle: LDV CBS 33243	17		0	0	180,000	0	0	0	MTID11.12
35	Sewerage: Reticulation Services-External	Construct sand traps in main sewer pipelines	15		0	0	500,000	0	500,000	0	S11.3
36	Sewerage: Reticulation Services-External	Danabaai: Replace Septic Tanks with Pumpstations	11		1,000,000	0	1,000,000	0	1,000,000	0	S11.3
37	Sewerage: Reticulation Services-External	Construct Sewer Pumpstation and Pumpline at Bakke Street, D'Almeida	15		2,500,000	0	0	0	0	0	S11.3
38	Sewerage: Reticulation Services-External	Bulk Sewer Pipeline for Erf 11567-Rotary Club Development	6		900,000	0	0	0	0	0	S11.3
39	Sewerage: Reticulation Services-Network	Sewer pumpline in Wassenaar Street	7		300,000	0	0	0	0	0	S11.3
40	Sewerage: Reticulation Services-Network	Asazani/ Izinyoka Housing Development: Outfall Sewer- Erf 3304 & 1704	15		300,000	0	0	0	0	0	S11.3
41	Sewerage: Reticulation Services-Network	New TLB	17		0	0	0	0	0	0	MTID11.12
42	Sewerage: Reticulation Services-Network	New 2-way Radios	17		10,000	0	10,000	0	10,000	0	G&C11.10
	Sewerage TOTAL				13,100,000	200,000	11,090,000	200,000	10,815,000	200,000	

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
D4	WATER										
1	Water: Purification Works	Sandhoogte Water Treatment: New dosing pumps and mixers	15		50,000	0	40,000	0	30,000	0	W11.4
2	Water: Purification Works	Friemersheim Water Treatment: New Fencing	14		80,000	0	0	0	0	0	W11.4
3	Water: Purification Works	Friemersheim Water Treatment: Refurbish Buildings and Pump stations	14		100,000	0	0	0	0	0	W11.4
4	Water: Purification Works	Lodewyks tenk Water Treatment : Automation of Plant	7		70,000	0	0	0	0	0	W11.4
5	Water: Purification Works	Sandhoogte Water Treatment: Refurbish Water Treatment Plant	15		60,000	0	0	0	0	0	W11.4
6	Water: Purification Works	Klein Brak Water Treatment: Aircon for Offices	17		10,000	0	0	0	0	0	MTID11.12
7	Water: Purification Works	Klein Brak Water Treatment: Aircon MCC	17		20,000	0	0	0	0	0	MTID11.12
8	Water: Purification Works	Furniture, Tools & Equipment	17		10,000	0	10,000	0	10,000	0	MTID11.12
9	Water: Purification Works	GBR:Enlarge Water Treatment Plant 5.5ML to 12ML	15	M.I.G	0	0	0	0	0	3,000,000	W11.4
10	Water: Purification Works	Upgrade stairs at pumpstations	14		0	0	40,000	0	0	0	W11.4
11	Water: Purification Works	Rehabilitate Sandfilters & inlet pipework	15		0	0	300,000	0	300,000	0	W11.4
12	Water: Purification Works	Upgrade chlorine room	15		40,000	0	0	0	0	0	W11.4
13	Water: Distribution Services	New Network Pipe Lines as per master plan	16		0	0	0	0	2,000,000	0	W11.4
14	Water: Distribution Services	New Connections	16	Rec. Developer	0	650,000	0	1,000,000	0	1,100,000	W11.4
15	Water: Distribution Services	Ernst Robertson Pipeline to Sandhoogte	15		0	0	800,000	0	0	0	W11.4
16	Water: Distribution Services	Voorbaai: New Bulk Line	15		0	0	0	0	0	0	W11.4
17	Water: Distribution Services	Asazani/Zinyoka Main Water 500mm line to KwaNonqaba	15	M.I.G	430,000	0	430,000	8,196,000	1,800,000	9,000,000	W11.4
18	Water: Distribution Services	Furniture, Tools & Equipment	17		45,000	0	50,000	0	45,000	0	MTID11.12
19	Water: Distribution Services	Pumps and Switchgear	16		200,000	0	0	0	0	0	W11.4
20	Water: Distribution Services	New Prosonic level measure	17		200,000	0	0	0	0	0	MTID11.12
21	Water: Distribution Services	New 400mm line and pumpstation to Jameson Reservoir	15		900,000	0	0	0	900,000	0	W11.4
22	Water: Distribution Services	MB Heiderand: New 5ML Reservoir Very High	15		0	0	5,500,000	0	2,000,000	0	W11.4
23	Water: Distribution Services	Telemetry: Expansion New System	16		100,000	0	0	0	0	0	W11.4
24	Water: Distribution Services	Replacement of Vehicles:									
a)		CBS 4823	17		100,000	0	0	0	0	0	MTID11.12
b)		CBS 33193	17		0	0	100,000	0	0	0	MTID11.12

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
25	Water: Distribution Services	Replace Water Network Lines-All Areas	16		1,000,000	0	550,000	0	700,000	0	W11.4
26	Water: Distribution Services	Relocate Rheebofsfontein-Woodline main water line	15		0	0	900,000	0	0	0	W11.4
27	Water: Distribution Services	Outeniqua Strand: 1ML Reservoir	5		0	0	0	0	0	0	W11.4
28	Water: Distribution Services	Generators: Grunter and Omega	17		0	0	0	0		0	MTID11.12
29	Water: Distribution Services	New Reservoir:Buysplaas South	7	M.I.G	0	0	0	500,000	0	0	W11.4
30	Water: Distribution Services	New water pumps:Replace with new model pumps	17		300,000	0	350,000	0	450,000	0	MTID11.12
31	Water: Distribution Services	Increase pumpstation capacity:Langeberg	15		0	0	0	0	2,200,000	0	W11.4
32	Water: Distribution Services	Water tower at Greatbrak Heights	5		0	0	1,850,000	0	0	0	W11.4
33	Water: Distribution Services	New Concrete Mixer	17		0	0	40,000	0	0	0	MTID11.12
34	Water: Distribution Services	New 2-way Radios (Water Distribution Services)	17		20,000	0	20,000	0	20,000	0	G&C11.10
35	Water: Distribution Services	Installation of Intelligent Bulk Watermeter Reading Devices	16		100,000	0	100,000	0	100,000	0	W11.4
36	Water:External Services	New 5 MI reservoir at Vaale Valley	15		0	0	0	0	3,000,000	0	W11.4
37	Water:External Services	Replacement of Fencing at Reservoirs	15		500,000	0	500,000	0	500,000	0	W11.4
38	Water:External Services	Bulk Water Pipeline and Pumpstation between Aalwyndal and Bartelstfontein Reservoirs	15		3,500,000	0	3,000,000	0	3,500,000	0	W11.4
39	Water:External Services	Bulk Water Supply for Erf 11567- Rotrary Club	6		100,000	0	0	0	0	0	W11.4
40	Water:External Services	Re-route Brandwag Water Supply and Pipeline	4		0	0	0	0	0	0	W11.4
41	Water:External Services	New Bulk Water Pipeline:Nautilus to Boggomsbaai	7		300,000	0	1,500,000	0	1,500,000	0	
	Water TOTAL				8,235,000	650,000	16,080,000	9,696,000	19,055,000	13,100,000	
	Total: Civil Services				38,187,200	13,636,793	42,830,000	14,790,170	46,480,000	20,444,000	

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
	E: COMMUNITY SERVICES										
E1	MANAGER COMMUNITY SERVICES:ADMIN.										
1	Civic Centre & Community Halls	Furniture, Tools & Equipment	17		61,000	0	0	0	0	0	MTID11.12
2	Civic Centre & Community Halls	Enlarge D'Almeida Hall	9		200,000	0	0	0	0	0	CEH11.9
3	Civic Centre & Community Halls	New Community Hall-Vleesbaai	7		0	0	0	0	0	0	CEH11.9
4	Civic Centre & Community Halls	New Fence KwaNonqaba Community Hall	1		100,000	0	0	0	0	0	CEH11.9
	Community Services: Administration TOTAL				361,000	0	0	0	0	0	
E2	CARAVAN PARKS/CHALETS										
1	Caravan Park:Point	Connect gullies to the main sewerage system	8		50,000	0	50,000	0	0	0	LEDT8.2
2	Caravan Park:Point	Paving around the ablution blocks	8		100,000	0	0	0	0	0	LEDT8.2
3	Chalets: Santos/De Bakke	Furniture & equipment	17		200,000	0	0	0	0	0	G&C11.10
4	Caravan Park: Santos	Palisade fencing	8		500,000	0	0	0	0	0	LEDT8.2
5	Chalets: Santos/De Bakke	Paving of walkway with interlocking bricks from Chalet 33 to Chalet 48,including area around Chalet 33	8		160,000	0	0	0	0	0	LEDT8.2
6	Chalets: Santos/De Bakke	Replace John Wood Burners with new heat exchange boilers- Santos Caravan Park	8		360,000	0	0	0	0	0	LEDT8.2
	Caravan Parks/ Chalets TOTAL				1,370,000	0	50,000	0	0	0	
E3	CEMETERIES										
1	Cemeteries	New fence for Cemetery- Heiderand	16		100,000	0	0	0	0	0	CEH11.9
	Cemeteries TOTAL				100,000	0	0	0	0	0	

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
E4	CLEANSING										
1	Cleansing: Refuse Removal	Bulk Containers	16		100,000	0	100,000	0	0	0	SDE11.7
2	Cleansing: Refuse Removal	Supply of bin lifters	16		0	0	50,000	0	150,000	0	SDE11.7
3	Cleansing: Refuse Removal	Rebuilding of compactor units	16		300,000	0	0	0	0	0	SDE11.7
4	Cleansing: Refuse Removal	Waste: Drop Off Site-Thembani Street	16		0	0	20,000	0	0	0	SDE11.7
5	Cleansing: Refuse Removal	New Compactor Unit	16		1,600,000	0	0	0	2,200,000	0	SDE11.7
6	Cleansing: Refuse Removal	New Transfer Station	16		0	0	0	0	0	0	SDE11.7
7	Cleansing: Refuse Removal	New Half Ton Bakkie	17		0	0	150,000	0	0	0	MTID11.12
8	Cleansing: Refuse Removal	Replace Delivery Vehicle-CBS 25106 (black bags)	16		200,000	0	0	0	0	0	SDE11.7
9	Cleansing: Refuse Removal	Recycling Bins	16		150,000	0	0	0	100,000	0	SDE11.7
10	Cleansing: Refuse Removal	Waste:Drop Off Site-Ndibaniso Street	2		20,000	0	0	0	0	0	SDE11.7
11	Cleansing: Refuse Removal	Waste: Drop Off Site-Zone 5	1		20,000	0	0	0	0	0	SDE11.7
12	Cleansing: Refuse Removal	Waste: Drop Off Site-Zone 7	1		20,000	0	0	0	0	0	SDE11.7
13	Cleansing: Refuse Removal	Rest room for Workers	16		100,000	0	0	0	0	0	MTID11.12
14	Cleansing: Transfer Stations	Surfacing of waste site (Sonskynvallei)	7		100,000	0	0	0	0	0	SDE11.7
	Cleansing TOTAL				2,610,000	0	320,000	0	2,450,000	0	
E5	PUBLIC SAFETY & RESCUE SERVICES										
1	Fire Brigade & Rescue Services	Fire fighting equipment and Hazmat equipment	16		50,000	0	50,000	0	100,000	0	CSS11.8
2	Fire Brigade & Rescue Services	Furniture, Tools and Equipment	17		50,000	0	50,000	0	20,000	0	MTID11.12
3	Fire Brigade & Rescue Services	Replace Vehicle- CBS 263 Water Tanker 2 with 4x4 Water Tanker	17		0	0	0	0	800,000	0	MTID11.12
4	Fire Brigade & Rescue Services	Replacement of Radio Communications Network:Phase 2	17		1,100,000	0	0	0	0	0	G&C11.10
5	Fire Brigade & Rescue Services	Replace Vehicle: CBS 18527 4x4 Bakkie and pump unit	17		0	0	500,000	0	0	0	MTID11.12
6	Fire Brigade & Rescue Services	Replace Rescue Vehicle CBS 7599	17		500,000	0	0	0	0	0	MTID11.12
7	Fire Brigade & Rescue Services	Replace Water Tank on CBS 6224	17		0	0	200,000	0	0	0	MTID11.12
8	Fire Brigade & Rescue Services	Rescue Rubber Duck-Semi ridget	16		0	0	0	0	0	0	CSS11.8
9	Fire Brigade & Rescue Services	Breathing Apparatus Compressor	16		0	0	200,000	0	0	0	CSS11.8
10	Fire Brigade & Rescue Services	Fire fighting bakkie sakkie unit	16		50,000	0	0	0	0	0	CSS11.8

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
11	Fire Brigade & Rescue Services	Replacement of Vehicle Water Tanker with 4 X 4 Water Tanker	17		1,600,000	0	0	0	0	0	MTID11.12
12	Public Safety: Mun. Police & Traffic Department	Speedbumps: Hoffmeyer Street: Point School	8		20,000	0	0	0	0	0	CSS11.8
13	Public Safety: Mun. Police & Traffic Department	Purchase of Two New Vehicles	17		0	0	0	0	0	0	MTID11.12
14	Public Safety: Mun. Police & Traffic Department	Purchase of New Vehicles x5	17		0	0	640,000	0	150,000	0	MTID11.12
15	Public Safety: Mun. Police & Traffic Department	Purchase of New Vehicles x3	17		320,000	0	160,000	0	0	0	MTID11.12
16	Public Safety: Mun. Police & Traffic Department	Flashlight combination for Law Enforcement	17		15,000	0	0	0	0	0	MTID11.12
17	Public Safety: Mun. Police & Traffic Department	Trailer for Roadmarking Machine	17		25,000	0	0	0	0	0	MTID11.12
18	Public Safety: Mun. Police & Traffic Department	Furniture, Tools & Equipment	17		100,000	0	0	0	0	0	MTID11.12
19	Law Enforcement	Furniture, Tools & Equipment (Law Enforcement)	17		30,000	0	0	0	0	0	MTID11.12
20	Law Enforcement	Purchase of New Vehicles x2	17		320,000						MTID11.12
	Public Safety and Rescue Services TOTAL				4,180,000	0	1,800,000	0	1,070,000	0	

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
E6	SPORTS AND RECREATION										
1	Beaches	Sunshades Santos Beach	8		60,000	0	0	0	0	0	LEDT8.2
2	Beaches	De Bakke Building Infrastructure and ablution to Blue Flag Standard	8		150,000	0	0	0	0	0	LEDT8.2
3	Beaches	3 X Wendy Houses [2X (2.1m*2.1m)and 1X(3m*3m)]	16		36,000	0	0	0	0	0	LEDT8.2
4	Beaches	Extension of ablution facilities-Hartenbos Beach- 48 m2	10		0	0	250,000	0	0	0	LEDT8.2
5	Beaches	Construction of disabled friendly steps to beaches:									
a)		Santos	8		100,000	0	0	0	0	0	LEDT8.2
b)		De Bakke	8		100,000	0	0	0	0	0	LEDT8.2
c)		Hartenbos	10		100,000	0	0	0	0	0	LEDT8.2
d)		Keinbrak	5		0	0	100,000	0	0	0	LEDT8.2
6	Parks & Recreation	Furniture, Tools & Equipment	17		50,000	0	0	0	0	0	MTID11.12
7	Parks & Recreation	Tractor-mounted Sprayer	17		40,000	0	0	0	0	0	MTID11.12
8	Parks & Recreation	Replacement of 3Ton Truck : CBS 39152 and CBS 39153	17		0	0	0	0	385,000	0	MTID11.12
9	Parks & Recreation	Replacement of Tractor- CBS 8467	17		270,000	0	0	0	0	0	MTID11.12
10	Parks & Recreation	Replacement of Tractor- CBS 17794	17		0	0	0	0	0	0	MTID11.12
11	Parks & Recreation	1Ton LDV X1 (New)	17		195,000	0	0	0	0	0	MTID11.12
12	Parks & Recreation	Beautification Entrance Road to Bayview	10		15,000	0	0	0	0	0	SRC11.6
13	Parks & Recreation	Play parks with equipment and apparatus for children-Brandwacht	4		0	0	40,000	0	0	0	SRC11.6
14	Parks & Recreation	New Play Parks:									
a)		Baker Street	12		40,000	0	0	0	0	0	SRC11.6
b)		Nantes	14		40,000	0	0	0	0	0	SRC11.6
15	Sport Grounds	Pavilions Sport fields- Freimersheim	14		200,000	0	0	0	0	0	SRC11.6
16	Sport Grounds	Furniture, Tools & Equipment	17		70,000	0	0	0	70,000	0	MTID11.12
17	Sport Grounds	Rebuild Tennis Courts-Mossel Bay	15		0	0	0	0	300,000	0	SRC11.6
18	Sport Grounds	Ride-on grass cutter and trailer	17		0	0	0	0	250,000	0	MTID11.12
19	Sport Grounds	Rebuild Green Haven Sportsfield (Flooding)	14		750,000	0	250,000	0	750,000	0	SRC11.6
20	Sport Grounds	New fence at soccer field	13		0	0	0	0	20,000	0	SRC11.6

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
21	Sport Grounds	Cricket clubhouse-D'Almeida	9		300,000	0	0	0	0	0	SRC11.6
22	Sport Grounds	Fence for sportsfield-Brandwacht	4		0	0	0	0	0	0	SRC11.6
23	Sport Grounds	New Clubhouse on sportsfield-Brandwacht	4		300,000	0	0	0	0	0	SRC11.6
24	Sport Grounds	2 X Line marking paint car (battery operated)	17		0	0	32,000	0	0	0	MTID11.12
25	Sport Grounds	Rehabilitation of Van Riebeeck Stadium	8	M.I.G	0	877,800	0	141,300	0		SRC11.6
26	Sport Grounds	Rehabilitation of D'Almeida Stadium	9	M.I.G	0	1,952,407	0	136,530	0	0	SRC11.6
27	Sport Grounds	New Sports Facility_Greenhaven	14	M.I.G	0	0	0	4,230,000	0	0	SRC11.6
28	Sport Grounds	Storage Facility -Van Riebeeck Stadium 100-120m2	17		200,000	0	0	0	0	0	MTID11.12
29	Sport Grounds	Tractor-mounted fertilizer spreader	17		16,000	0	0	0	0	0	MTID11.12
30	Sport Grounds	1 X 3Ton Truck (New)	17		0	0	350,000	0	0	0	MTID11.12
31	Sport Grounds	Rotary Lawnmowers X2 (pitch cutters)	17		0	0	65,000	0	70,000	0	MTID11.12
32	Sport Grounds	Aerator & verticut combo cutter (800mm walk behind)	17		0	0	160,000	0	0	0	MTID11.12
33	Sport Grounds	Irrigation System-Van Riebeeck Stadium	17		0	0	250,000	0	300,000	0	MTID11.12
34	Sport Grounds	Irrigation System-D'Almeida Stadium	17		0	0	300,000	0	320,000	0	MTID11.12
35	Sport Grounds	Irrigation System-Extension 23 Soccerfield (B & C Soccerfield)	17		0	0	0	0	300,000	0	MTID11.12
36	Sport Grounds	Construction of White Side screens at a cricketfield -Van Riebeeck Stadium	8		0	0	0	0	42,000	0	SRC11.6
37	Sport Grounds	Replacement of inner enclosures of rugby field-Greenhaven Sportsfield	14		0	0	50,000	0	0	0	SRC11.6
38	Sport Grounds	Extra Netball Court with pavillion-Brandwacht	4		0	0	0	0	0	0	SRC11.6
	Sports and Recreation TOTAL				3,032,000	2,830,207	1,847,000	4,507,830	2,807,000	0	

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
E7	LIBRARIES										
1	Library: Mossel Bay	Digital Colour Copier	17		0	0	60,000	0	0	0	MTID11.12
2	Library: Mossel Bay	Furniture, Tools & Equipment	17		800	0	0	0	0	0	MTID11.12
3	Library: Friemersheim	Air conditioner-Friemersheim	17		0	0	0	0	0	0	MTID11.12
4	Library: Friemersheim	Furniture, Tools & Equipment-Friemersheim	17		3,000	0	18,000	0	1,500	0	MTID11.12
5	Library: Greenhaven	Furniture, Tools & Equipment-Greenhaven	17		3,800	0	1,000	0	0	0	MTID11.12
6	Library: Herbertsdale	Furniture, Tools & Equipment-Herbertsdale	17		1,000	0	1,750	0	600	0	MTID11.12
7	Library: D'Almeida	Air conditioner-D'Almeida Library	17		20,000	0	0	0	0	0	MTID11.12
8	Library: Ellen van Rensburg	Palisade Fencing	17		60,000	0	0	0	0	0	MTID11.12
9	Library:Kwa Nonqaba	Construction of a new library:KwaNonqaba	2	L.S.C.G.	0	6,000,000	0	0	0	0	CEH11.9
	Libraries TOTAL				88,600	6,000,000	80,750	0	2,100	0	
	Total: Community Services				11,741,600	8,830,207	4,097,750	4,507,830	6,329,100	0	

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
	F: ELECTRICITY SERVICES										
F1	ELECTRICITY : ADMINISTRATION										
1	Electricity: Administration	Furniture, Tools & Equipment	17		10,000	0	10,000	0	10,000	0	MTID11.12
2	Electricity: Administration	Vehicle Management System	17		15,000	0	15,000	0	15,000	0	FYM11.11
	Electricity: Administration TOTAL				25,000	0	25,000	0	25,000	0	
F2	ELECTRICITY DISTRIBUTION										
1	Electricity Distribution	Replacement Network H/Bos	10		350,000	0	400,000	0	400,000	0	E.11.5
2	Electricity Distribution	New Network Midbrak	5		0	0	500,000	0	500,000	0	E.11.5
3	Electricity Distribution	Replacement Network Low Voltage	1		200,000	0	200,000	0	400,000	0	E.11.5
4	Electricity Distribution	Replacement L/V O/H Lines Central Town	8		300,000	0	300,000	0	300,000	0	E.11.5
5	Electricity Distribution	Replacement L/V Network Great Brak/ Green haven	14		200,000	0	200,000	0	200,000	0	E.11.5
6		2nd Point of Supply, Glentana/Great Brak area	15		0	0	0	0	0	0	E.11.5
7	Electricity Distribution	Substation Improvements (Enhancement 11kV equip.) :									
a)		Ext 4 Sub Station	8		0	0	500,000	0	0	0	E.11.5
b)		Ext 12 Sub Station	15		0	0	600,000	0	0	0	E.11.5
c)		Workshop Sub Station	15		1,000,000	0	0	0	0	0	E.11.5
8	Electricity Distribution	Bothma S/S new 20 MVA Transformer	15		400,000	0	6,200,000	0	0	0	E.11.5
9	Electricity Distribution	New 66/22/11kV Substation K/Brak Sewerage Farm	15		7,000,000	0	1,000,000	0	1,000,000	0	E.11.5
10	Electricity Distribution	New 22kV Transmission Line K/Brak Sewerage Farm Ph 1&2	15		0	0	0	0	1,000,000	0	E.11.5
11	Electricity Distribution	Replacement Network Low Voltage	9		500,000	0	500,000	0	500,000	0	E.11.5
12	Electricity Distribution	66kV Transmission Line Bothma S/S to Ext.13	15		4,000,000	0	0	0	0	0	E.11.5
13	Electricity Distribution	New Connections	16	Rec. Developer	0	1,200,000	0	1,200,000	0	1,200,000	E.11.5
14	Electricity Distribution	Replace MV Network Great Brak	15		700,000	0	1,200,000	0	1,200,000	0	E.11.5
15	Electricity Distribution	Replacement of switchgear at Intake Substation	15		100,000	0	500,000	0	0	0	E.11.5
16	Electricity Distribution	Replace Ageing Miniature Substations	16		700,000	0	1,000,000	0	2,000,000	0	E.11.5
17	Electricity Distribution	Replace MV Ring Main Units	16		700,000	0	1,000,000	0	2,000,000	0	E.11.5

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
18	Electricity Distribution	Electrification Projects	16	D.O.E.	0	1,000,000	0	1,000,000	0	7,500,000	E.11.5
19	Electricity Distribution	Tools & Equipment	17		100,000	0	100,000	0	100,000	0	MTID11.12
20	Electricity Distribution	Replacement of Vehicles:									
(a)		CBS 21327 and CBS 22612	17		400,000	0	0	0	0	0	MTID11.12
(b)		CBS 33242 and CBS 33234	17		0	0	400,000	0	0	0	MTID11.12
(c)		CBS 33197 and CBS 25950	17		0	0	0	0	400,000	0	MTID11.12
21	Electricity Distribution	Modification of 22/11kV substation at Powertown	15		0	0	0	0	2,000,000	0	E.11.5
22	Electricity Distribution	Purchase of Leased Vehicles: CBS 30283,CBS 42246, CBS 42247 & CBS 42248	17		320,000	0	0	0	0	0	MTID11.12
23	Electricity Distribution	Street Lights:									
a)		Morrison Road Great Brak/ Glentana	5		0	0	0	0	0	0	E.11.5
b)		Great Brak Heights	5		0	0	50,000	0	50,000	0	E.11.5
c)		Main Road Geelbeksvlei	4		50,000	0	50,000	0	50,000	0	E.11.5
24	Electricity Distribution	66kv Overhead Line Upgrade- Intake to South Substation	15		0	0	3,000,000	0	3,000,000	0	E.11.5
25	Electricity Distribution	Groenkloof K/B Switching Substation- New 11kv Switch Room	5		800,000	0	1,000,000	0	1,000,000	0	E.11.5
26	Electricity Distribution	Public Parking Area at Electrical Meter Department	16		40,000	0	0	0	0	0	E.11.5
27	Electricity Distribution	Rotary Club Development- Erf 11567	6		1,000,000	0	0	0	0	0	E.11.5
28	Mechanical Services	New Pumps for VPS (Voorbaai Pump Station)	15		450,000	0	500,000	0	550,000	0	E.11.5
	Electricity: Distribution TOTAL				19,310,000	2,200,000	19,200,000	2,200,000	16,650,000	8,700,000	
					19,335,000	2,200,000	19,225,000	2,200,000	16,675,000	8,700,000	

NO.	ACCOUNT	PROJECTS	WARD/S	FUNDING	CRR	OTHER	CRR	OTHER	CRR	OTHER	
	G:DEVELOPMENT & PLANNING										
G1	DEVELOPMENT & PLANNING : ADMIN										
1	Development & Planning : Admin	Furniture, Tools & Equipment	17		30,000	0	20,000	0	20,000	0	MTID11.12
	Development & Planning : Admin TOTAL				30,000	0	20,000	0	20,000	0	
G2	MUNICIPAL BUILDING & LAND										
1	Municipal Building & Land	Extension Creche: Sonskynvallei	7		0	0	0	0	0	0	CEH11.9
2	Municipal Building & Land	Upgrade Wall-D'Almeida-Sportsfield	9		0	0	200,000	0	0	0	CEH11.9
3	Municipal Building & Land	Pound for Animals	16		50,000	0	0	0	0	0	CEH11.9
4	Municipal Building & Land	New Fence in Vusisizwe Crèche (Security Fence)	12		40,000	0	0	0	0	0	CEH11.9
	Municipal Building & Land TOTAL				90,000	0	200,000	0	0	0	
G3	HUMAN SETTLEMENTS										
1	Human Settlements	Asazani/Izinyoka Infrastructure	15	D.O.H.S	0	22,465,400	0	16,470,000	0	1,646,516	LIHS.9.10
	Human Settlements TOTAL				0	22,465,400	0	16,470,000	0	1,646,516	
	Total : Development & Planning				120,000	22,465,400	220,000	16,470,000	20,000	1,646,516	
	GRAND TOTAL				72,009,370	51,851,400	67,714,550	38,158,000	69,574,100	31,290,516	

MOSSEL BAY MUNICIPALITY				
SUMMARY OF THE CAPITAL BUDGET PER FUNDING SOURCE				
Funding Sources	Abbrev.	2012/2013	2013/2014	2014/2015
Capital Replacement Reserve (Internal)	C.R.R.	72,009,370	67,714,550	69,574,100
Municipal Infrastructure Grant	M.I.G	17,156,000	18,098,000	19,144,000
Extended Public Works Programme	E.P.W.P	2,461,000	0	0
Recoverable Developer	Rec. Developer	2,050,000	2,400,000	2,500,000
Department of Energy	D.O.E.	1,000,000	1,000,000	7,500,000
External Loans	Leases/Ext. Loan	699,000	175,000	485,000
Department of Human Settlement	D.O.H.S	22,465,400	16,470,000	1,646,516
Municipal Systems Improvement Grant	M.S.I.G	0	0	0
Community Development Worker's	C.D.W.	20,000	15,000	15,000
Library Subsidy(Conditional Grant)	L.S.C.G.	6,000,000	0	0
		123,860,770	105,872,550	100,864,616

MOSSEL BAY MUNICIPALITY									
SUMMARY OF THE CAPITAL BUDGET PER VOTE									
Vote Description	2012/2013			2013/2014			2014/2015		
	C.R.R	Other	Total	C.R.R	Other	Total	C.R.R	Other	Total
MUNICIPAL MANAGER									
Municipal Manager:Admin	1,500,000	0	1,500,000	0	0	0	0	0	0
Municipal Manager:Legal Services	310,000	0	310,000	0	0	0	0	0	0
Council General	0	0	0	500,000	0	500,000	0	0	0
	1,810,000	0	1,810,000	500,000	0	500,000	0	0	0
CORPORATE SERVICES									
Corporate Services: Administration	373,930	0	373,930	786,800	0	786,800	0	0	0
Human Resources	15,000	0	15,000	25,000	0	25,000	0	0	0
Socio-Econ.Planning/Development	135,800	4,020,000	4,155,800	0	15,000	15,000	55,000	15,000	70,000
	524,730	4,020,000	4,544,730	811,800	15,000	826,800	55,000	15,000	70,000
FINANCIAL SERVICES									
Financial Services: Administration	15,000	0	15,000	15,000	0	15,000	0	0	0
Computer Centre	150,000	699,000	849,000	0	175,000	175,000	0	485,000	485,000
Supply Chain Management	14,340	0	14,340	0	0	0	0	0	0
Valuations	100,000	0	100,000	15,000	0	15,000	15,000	0	15,000
Financial Services: Expenditure Section	11,500	0	11,500	0	0		0	0	
	290,840	699,000	989,840	30,000	175,000	205,000	15,000	485,000	500,000

Vote Description	2012/2013			2013/2014			2014/2015		
	C.R.R	Other	Total	C.R.R	Other	Total	C.R.R	Other	Total
CIVIL SERVICES									
Civil Services: Administration	22,000	0	22,000	10,000	0	10,000	10,000	0	10,000
Streets and Stormwater	16,830,200	12,786,793	29,616,993	15,650,000	4,894,170	20,544,170	16,600,000	7,144,000	23,744,000
Sewerage	13,100,000	200,000	13,300,000	11,090,000	200,000	11,290,000	10,815,000	200,000	11,015,000
Water	8,235,000	650,000	8,885,000	16,080,000	9,696,000	25,776,000	19,055,000	13,100,000	32,155,000
	38,187,200	13,636,793	51,823,993	42,830,000	14,790,170	57,620,170	46,480,000	20,444,000	66,924,000
COMMUNITY SERVICES									
Community Services: Administration	361,000	0	361,000	0	0	0	0	0	0
Caravan Parks/ Chalets	1,370,000	0	1,370,000	50,000	0	50,000	0	0	0
Cemeteries	100,000	0	100,000	0	0	0	0	0	0
Cleansing	2,610,000	0	2,610,000	320,000	0	320,000	2,450,000	0	2,450,000
Public Safety and Rescue Services	4,180,000	0	4,180,000	1,800,000	0	1,800,000	1,070,000	0	1,070,000
Sports and Recreation	3,032,000	2,830,207	5,862,207	1,847,000	4,507,830	6,354,830	2,807,000	0	2,807,000
Libraries	88,600	6,000,000	6,088,600	80,750	0	80,750	2,100	0	2,100
	11,741,600	8,830,207	20,571,807	4,097,750	4,507,830	8,605,580	6,329,100	0	6,329,100
ELECTRICITY SERVICES									
Electricity: Administration	25,000	0	25,000	25,000	0	25,000	25,000	0	25,000
Electricity: Distribution	19,310,000	2,200,000	21,510,000	19,200,000	2,200,000	21,400,000	16,650,000	8,700,000	25,350,000
	19,335,000	2,200,000	21,535,000	19,225,000	2,200,000	21,425,000	16,675,000	8,700,000	25,375,000
DEVELOPMENT & PLANNING									
Development & Planning : Admin	30,000	0	30,000	20,000	0	20,000	20,000	0	20,000
Municipal Building & Land	90,000	0	90,000	200,000	0		0	0	0
Human Settlements	0	22,465,400	22,465,400	0	16,470,000	16,470,000	0	1,646,516	1,646,516
	120,000	22,465,400	22,585,400	220,000	16,470,000	16,490,000	20,000	1,646,516	1,666,516
GRAND TOTAL	72,009,370	51,851,400	123,860,770	67,714,550	38,158,000	105,872,550	69,574,100	31,290,516	100,864,616

SUMMARY OF THE CAPITAL BUDGET PER WARD 2012/13 TO 2014/15

Ward/s	Projects	Data		
		Sum of 2012/13 Budget	Sum of 2013/14 Budget	Sum of 2014/15 Budget
1	1 E.P.W.P : Pave Gravel Roads all areas:Nonzame Street: KwaNonqaba	145,200	-	-
	Enhance of existing tar road by providing edging - Bantom Street, KwaNonqaba	-	-	110,000
	Enlarge Sewerlines-KwaNonqaba	870,000	1,100,000	1,200,000
	Replacement Network Low Voltag	200,000	200,000	400,000
	Waste: Drop Off Site-Zone 5	20,000	-	-
	Waste: Drop Off Site-Zone 7	20,000	-	-
	New Fence KwaNonqaba Community Hall	100,000	-	-
	1 Total	1,355,200	1,300,000	1,710,000
	2 Construction of a new library:KwaNonqaba	6,000,000	-	-
	E.P.W.P : Pave Gravel Roads all areas:Dyusha Street-Rehabilitate Main Roads	1,000,000	-	-
2	E.P.W.P : Pave Gravel Roads all areas:Megan Street-Rehabilitate Bus/Main Bus Routes	800,000	-	-
	E.P.W.P : Pave Gravel Roads all areas:Stuurman Street-New Roads & Stormwater	1,075,042	-	-
	New stormwater and sidewalks - Thembelihle, Kwa	-	90,000	-
	Tarring of Streets & Roads :Carelse Street (Kwa 3)	700,000	-	-
	Waste:Drop Off Site-Ndibaniso Street	20,000	-	-
	E.P.W.P : Pave Gravel Roads all areas:Malusi Street-Rehabilitate Main Roads	669,686	300,314	-
	Gravel circles in Khayelitsha	268,000	-	-
	2 Total	10,532,728	390,314	-
	3 Asla Park-Replace Sewer lines	870,000	1,100,000	1,200,000
	E.P.W.P : Pave Gravel Roads all areas:Emdeni Street	-	773,856	-
3	E.P.W.P : Pave Gravel Roads all areas:Lindela Street	-	-	145,000
	E.P.W.P : Pave Gravel Roads all areas:Mayekiso Street	-	-	365,000
	E.P.W.P : Pave Gravel Roads all areas:Nofemele Street	-	600,000	-
	Facilities and Shelters:Taxi Rank Kwa-Nonqaba	-	-	1,500,000
	Pave Sidewalks KwaNonqaba- Stofile	-	200,000	-
	Tarring of Streets & Roads :Nofemele Street	-	600,000	-
	E.P.W.P : Pave Gravel Roads all areas:Enkululekweni Street	-	300,000	-
	3 Total	870,000	3,573,856	3,210,000
	4 E.P.W.P : Pave Gravel Roads all areas:Brandwag Entrance Road West (280m)	664,000	-	-
	E.P.W.P : Pave Gravel Roads all areas:Internal Road 5-Rehabilitate Bus/Main Bus Routes	2,000,000	-	-
4	E.P.W.P : Pave Gravel Roads all areas:Internal Road 6-Rehabilitate Bus/Main Bus Routes	-	1,000,000	-
	E.P.W.P : Pave Gravel Roads all areas:Sandhoogte	-	-	1,300,000
	Extra Netball Court with pavillion-Brandwacht	-	-	-
	Fence for sportsfield-Brandwacht	-	-	-
	Improve Stormwater :Sandhoogtepad	-	500,000	500,000
	New Clubhouse on sportsfield-Brandwacht	300,000	-	-
	Play parks with equipment and apparatus for children-Brandwacht	-	40,000	-
	Re-route Brandwag Water Supply and Pipeline	-	-	-
	Street Lights:Main Road Geelbeksvlei	50,000	50,000	50,000
	4 Total	3,014,000	1,590,000	1,850,000
5	5 Armco Barriers in Voorbrug Road	-	80,000	-
	Construction of a walkway alongside Longstreet from corner of Kaaiman Street to Police Station	-	-	-
	Construction of disabled friendly steps to beaches:Kleinbraak	-	100,000	-
	Construction of walkway alongside Kaaimansroad up to Long Street	-	-	-
	Groenkloof K/B Switching Substation- New 11kv Switch Room	800,000	1,000,000	1,000,000
	Improve Stormwater :S/W Outlet at Outeniqua Strand	200,000	-	-
	Improve stormwater drainage: S/W Eureka Park	-	-	-
	Improve stormwater drainage: S/W Hersham	-	-	1,500,000
	Midbrak Main Sewer Network	-	2,000,000	1,000,000
	New Network Midbrak	-	500,000	500,000
	New Paving along Station Road- from Watson's to Stores	-	-	-
	New S/W and pavements in 2 and 4th Avenues (Riverside)	200,000	-	-
	Outeniqua Strand: 1ML Reservoir	-	-	-
	Parking Areas: Rheeboek/ Tergniet	450,000	550,000	-
	Paving Gleniqua Drive	-	-	-
	Provision of S/W Derde and Swart Street: Tergniet	-	300,000	-
	Rebuild Gleniqua Drive	-	-	-
	Rebuild gravel roads in Greatbrak Heights, Hoogte Pad- North/South and Stasiekop	-	200,000	200,000
	Rebuild Kusweg KBRT	1,400,000	1,500,000	-
	Rebuild Tar Roads:Dolphin Crescent: Tergniet	-	450,000	-
	Rebuild Tar Roads:Harris Street: Tergniet	-	-	-
	Rebuild Tar Roads:Swart Street: Tergniet	-	-	-
	Rebuild Tar Roads:Van Zyl Street: Tergniet	-	1,000,000	500,000
	Stabilizing the bank of the Klien Brak River with gabions	300,000	-	-
	Street Lights:Great Brak Heights	-	50,000	50,000
	Street Lights:Morrison Road Great Brak/ Glentana	-	-	-
	Tarring of Streets & Roads :Elf Street	250,000	-	-
	Tarring of Streets & Roads :Gallie	-	275,000	-
	Tarring of Streets & Roads :Gleniqua Drive East	400,000	-	-
	Tarring of Streets & Roads :Hoy Street	-	-	-
	Tarring of Streets & Roads :Kolster	-	-	-
	Tarring of Streets & Roads :Olckers Turning Circle	150,000	-	-
	Tarring of Streets & Roads :Short streets in Eureka Park	100,000	-	500,000
	Tarring of Streets & Roads :Stegman	-	-	-
	Water tower at Greatbrak Heights	-	1,850,000	-
	5 Total	4,250,000	9,855,000	5,250,000
6	6 Bulk Sewer Pipeline for Erf 11567-Rotary Club Development	900,000	-	-
	Bulk Water Supply for Erf 11567- Rotary Club	100,000	-	-
	Extension to Apiesdoring	1,000,000	-	-
	Provision of S/W system in Iota Street	180,000	-	-
	Rotary Club Development- Erf 11567	1,000,000	-	-
	Tarring of Streets & Roads :Omega Street	-	-	-
	6 Total	3,180,000	-	-
7	7 E.P.W.P : Pave Gravel Roads all areas:Benton	-	-	1,125,000
	E.P.W.P : Pave Gravel Roads all areas:Chris Hani-Rehabilitate Bus/Main Bus Routes	1,000,000	-	-
	E.P.W.P : Pave Gravel Roads all areas:Cupido	-	-	1,400,000
	E.P.W.P : Pave Gravel Roads all areas:Dahlia	-	-	594,000
	E.P.W.P : Pave Gravel Roads all areas:Graceland-Rehabilitate Bus/Main Bus Routes	-	1,000,000	-
	E.P.W.P : Pave Gravel Roads all areas:Maanlig Street (160m)	370,000	-	-
	Extension Creche: Sonskynvallei	-	-	-
	Lodewyks tenk Water Treatment : Automation of Plant	70,000	-	-
	New Community Hall-Vleesbaai	-	-	-
	New Reservoir:Buysplaas South	-	500,000	-
	Parking Areas: Herbertsdale Sports complex	-	-	-
	Paving entrance: Primary School, Herbertsdale	-	45,000	-
	Rebuild Gravel Entrance to sewer treatment plant	-	-	400,000
	Rebuild Tar Roads:Benton Street	-	-	-
	Rebuild Tar Roads:Cupido Street	-	-	700,000
	Rebuild Tar Roads:Dahlia Street	-	-	594,000
	Rebuild Tar Roads:Hunter Street	-	500,000	-
	Rebuild Tar Roads:Kort Street	-	-	-
	7 Total	-	-	-

Ward/s	Projects	Sum of 2012/13 Budget	Sum of 2013/14 Budget	Sum of 2014/15 Budget
7	Sewer pipeline in Wassenaar Street	300,000	-	-
	Sidewalks:Herbertsdale	-	-	50,000
	Surfacing of waste site (Sonskynvallei)	100,000	-	-
	Tarring of Streets & Roads :Maanlig Street	-	-	650,000
	Tarring of Streets & Roads :Parking area Animal Hospital-Hartenbos Heuwels	-	100,000	-
	New Bulk Water Pipeline.Nautilus to Boggomsbaai	300,000	1,500,000	1,500,000
	7 Total	2,140,000	3,645,000	7,013,000
8	Connect gullies to the main sewerage system	50,000	50,000	-
	Construction of disabled friendly steps to beaches:De Bakke	100,000	-	-
	Construction of disabled friendly steps to beaches:Santos	100,000	-	-
	Construction of White Side screens at a cricketfield -Van Riebeeck Stadium	-	-	42,000
	De Bakke Building Infrastructure and ablation to Blue Flag Standard	150,000	-	-
	Improve stormwater drainage: Stormwater:Cape Road	250,000	-	-
	Kerbs & Sidewalks: Tarka	35,000	-	-
	Palisade fencing	500,000	-	-
	Parking Areas: Cape Road-Park School	-	-	-
	Parking Areas: Cemetry	-	-	600,000
	Pavements:CBD- Mossel Bay	200,000	200,000	300,000
	Paving around the ablation blocks	100,000	-	-
	Paving of walkway with interlocking bricks from Chalet 33 to Chalet 48,including area around Chalet 33	160,000	-	-
	Point Area (Road, Parking, Walkway)	3,000,000	3,500,000	3,500,000
	Rebuild Riley Powrie-Meyer	250,000	-	-
	Rebuild Tar Roads:Bayview Street	-	-	-
	Rehabilitation of Van Riebeeck Stadium	877,800	141,300	-
	Replace John Wood Burners with new heat exchange boilers-Santos Caravan Park	360,000	-	-
	Replacement L/V O/H Lines Central Town	300,000	300,000	300,000
	Replacement of all paving infrastructure in New Sunny Side area	-	-	200,000
	Sidewalks:George Road	-	-	-
	Sidewalks:Tulip Street	-	-	140,000
	Speedbumps: Hoffmeyer Street: Point School	20,000	-	-
	Substation Improvements (Enhancement 11kV equip.) :Ext 4 Sub Station	-	500,000	-
	Sunshades Santos Beach	60,000	-	-
	Upgrade Montagu Street - Rebuild road	-	-	1,500,000
	8 Total	6,512,800	4,691,300	6,582,000
9	Cricket clubhouse-D'Almeida	300,000	-	-
	Enlarge D'Almeida Hall	200,000	-	-
	New Sewer Lines : D'almeida	1,100,000	1,200,000	-
	Pave Walkway: behind the rugby stadium (Oktober and Heunis Street)	-	-	120,000
	Rehabilitation of D'Almeida Stadium	1,952,407	136,530	-
	Replacement Network Low Voltage	500,000	500,000	500,000
	Sidewalks:Curlew Street	-	-	200,000
	Tarring of Streets & Roads :Titus Street	145,000	-	-
	Upgrade Wall-D'Almeida-Sportsfield	-	200,000	-
	9 Total	4,197,407	2,036,530	820,000
10	Beautification Entrance Road to Bayview	15,000	-	-
	Construction paving/sidewalks on one side of Garreth Street in Bayview	-	-	-
	Construction of disabled friendly steps to beaches:Hartenbos	100,000	-	-
	Extension of ablation facilities-Hartenbos Beach- 48 m2	-	250,000	-
	Extension of S/W culvert between Hartenzicht and Station	910,000	-	-
	Improve Stormwater :Elandslaagte Street:Hartenbos	250,000	-	-
	Parking Areas: Parking at Hartenbos Primary School	100,000	-	-
	Provision of S/W outlet Nootgedacht Parking Area Bayview	720,000	-	-
	Replacement Network H/Bos	350,000	400,000	400,000
	Stormwater between Diaz and Twee Kuilen	150,000	-	-
	10 Total	2,595,000	650,000	400,000
11	Danabaai: Replace Septic Tanks with Pumpstations	1,000,000	1,000,000	1,000,000
	Enhance of Flora and Malva intersection	-	-	300,000
	Multi access road from Louis Fourie Road to Dana Bay	-	200,000	-
	Parking Areas: New Parking Area 1st Beach (Dana Bay)	1,390,000	-	-
	Parking Areas: New Parking Area 2nd Beach (Dana Bay)	-	1,500,000	-
	Pave Sidewalks Danabaai (Flora Road)	-	200,000	200,000
	Pinnacle Point Sewerage: New Fencing	-	-	-
	Road from Louis Fourie to Correctional Services	-	-	-
	Sidewalks:Adriaans Street	-	-	200,000
	Pinnacle Point Sewerage: Mechanical Screen	635,000	-	-
	Curbing Malva Street	-	90,000	-
	11 Total	3,025,000	2,990,000	1,700,000
12	Enlargement of stormwater system: Ravine close to Blue waters	-	350,000	-
	New Play Parks:Baker Street	40,000	-	-
	Rebuild Tar Roads:Access Road from T. Ntanda and D. Ellis	132,000	-	-
	Rebuild Tar Roads:Terrence Ntanda Street	-	-	-
	E.P.W.P : Pave Gravel Roads all areas:N. Damons Street	-	-	115,000
	New Fence in Vusisizwe Crèche (Security Fence)	40,000	-	-
	12 Total	212,000	350,000	115,000
13	E.P.W.P : Pave Gravel Roads all areas:Centurian Street-Rehabilitate Bus/Main Bus Routes	878,068	-	-
	E.P.W.P : Pave Gravel Roads all areas:Pawnwee Street	-	420,000	-
	E.P.W.P : Pave Gravel Roads all areas:Piper Colt Street-New Roads & Stormwater	241,000	-	-
	E.P.W.P : Pave Gravel Roads all areas:Seneca Street-New Roads & Stormwater	700,000	-	-
	New fence at soccer field	-	-	20,000
	Pavements:Sampson Street	200,000	-	-
	Tarring of Streets & Roads :Aerostar Street	-	-	-
	Tarring of Streets & Roads :Piper Colt Street	-	-	241,000
	13 Total	2,019,068	420,000	261,000
14	Construction of steps in Greenhaven	-	210,000	-
	E.P.W.P : Pave Gravel Roads all areas:Begonia Street	-	500,000	-
	E.P.W.P : Pave Gravel Roads all areas:Daisy	-	-	600,000
	E.P.W.P : Pave Gravel Roads all areas:Mandela Street-Rehabilitate Main Roads	1,500,000	-	-
	E.P.W.P : Pave Gravel Roads all areas:Wolwedans	1,427,000	-	-
	E.P.W.P : Pave Gravel Roads all areas:Wolwedans-Rehabilitate Main Routes (250m)	661,997	-	-
	Friemersheim Water Treatment: New Fencing	80,000	-	-
	Friemersheim Water Treatment: Refurbish Buildings and Pump stations	100,000	-	-
	Friemersheim: New Sewer Pumpstations	870,000	-	-
	Improve Stormwater :Amy Searle Greenhaven/ Marigold (Enlarge culvert)	550,000	450,000	1,000,000
	New concrete structure and pipework at inlet works	-	-	1,000,000
	New major stormwater system-Wolwedans	500,000	500,000	500,000
	New Play Parks:Nantes	40,000	-	-
	New Sports Facility_Greenhaven	-	4,230,000	-
	Pavilions Sport fields- Freimersheim	200,000	-	-
	Pedestrian Walkway Greenhaven	-	200,000	-
	Rebuild Green Haven Sportsfield (Flooding)	750,000	250,000	750,000
	Replacement L/V Network Great Brak/ Green haven	200,000	200,000	200,000
	Replacement of inner enclosures of rugby field-Greenhaven Sportsfield	-	50,000	-
	Tar/Pave of Begonia and Daisy Streets	-	500,000	600,000
	Upgrade stairs at pumpstations	-	40,000	-

Ward/s	Projects	Sum of 2012/13 Budget	Sum of 2013/14 Budget	Sum of 2014/15 Budget
14 Total		6,878,997	7,130,000	4,650,000
15	2nd Point of Supply, Glentana/Great Brak area	-	-	-
	66kv Overhead Line Upgrade- Intake to South Substation	-	3,000,000	3,000,000
	66kV Transmission Line Bothma S/S to Ext.13	4,000,000	-	-
	Additional Rotating Screen	-	500,000	-
	Asazani/ Izinyoka Housing Development: Outfall Sewer- Erf 3304 & 1704	300,000	-	-
	Asazani/Izinyoka Infrastructure	22,465,400	16,470,000	1,646,516
	Asazani/Zinyoka Main Access Roads	-	-	1,500,000
	Asazani/Zinyoka Main Water 500mm line to KwaNonqaba	430,000	8,626,000	10,800,000
	Bothma S/S new 20 MVA Transformer	400,000	6,200,000	-
	Bulk Water Pipeline and Pumpstation between Aalwyndal and Bartelsfontein Reservoirs	3,500,000	3,000,000	3,500,000
	Construct Flamable liquids storage facility	25,000	-	-
	Construct sand traps in main sewer pipelines	-	500,000	500,000
	Construct Sewer Pumpstation and Pumpline at Bakke Street, D'Almeida	2,500,000	-	-
	Ernst Robertson Pipeline to Sandhoogte	-	800,000	-
	GBR:Enlarge Water Treatment Plant 5.5ML to 12ML	-	-	3,000,000
	Great Brak Sewerage : New Fencing	200,000	-	-
	Great Brak Sewerage Works: Plant Upgrade from 1ML/day to 4ML/day	-	-	-
	Grinder for solids at VPS	900,000	-	-
	Increase pumpstation capacity:Langeberg	-	-	2,200,000
	MB Heiderand: New 5ML Reservoir Very High	-	5,500,000	2,000,000
	Modification of 22/11kV substation at Powertown	-	-	2,000,000
	New 22kV Transmission Line K/Brak Sewerage Farm Ph 1&2	-	-	1,000,000
	New 400mm line and pumpstation to Jameson Reservoir	900,000	-	900,000
	New 5 Ml reservoir at Vaale Valley	-	-	3,000,000
	New 66/22/11kV Substation K/Brak Sewerage Farm	7,000,000	1,000,000	1,000,000
	New Pumps for VPS (Voorbaai Pump Station)	450,000	500,000	550,000
	New Road Link between Essenhout street and Bill Jeffrey	-	-	-
	New Standby Airblower	-	80,000	-
	Rebuild Tennis Courts-Mossel Bay	-	-	300,000
	Regional Sewer : New VSD aerators	80,000	-	100,000
	Regional Sewer Works-Replace Dewatering Machine	-	800,000	900,000
	Regional Sewerage Works: Sludge Drying Beds	1,300,000	1,300,000	1,300,000
	Regional Sewerage Works:Entrance Road	-	-	400,000
	Regional Sewerage: Aerators and Mixers Old Reactor	120,000	150,000	200,000
	Regional Sewerage: New Aerators Old Sludge holding basin	-	100,000	-
	Regional Sewerage: New MCC-Inlet and Control Room	-	-	430,000
	Regional Sewerage: New Waste pumps Old sludge pump stations	190,000	120,000	-
	Rehabilitate Sandfilters & inlet pipework	-	300,000	300,000
	Relocate Rheebofsfontein-Woodline main water line	-	900,000	-
	Replace MV Network Great Brak	700,000	1,200,000	1,200,000
	Replacement of Fencing at Reservoirs	500,000	500,000	500,000
	Replacement of switchgear at Intake Substation	100,000	500,000	-
	Sandhoogte Water Treatment: Refurbish Water Treatment Plant	60,000	-	-
	Sandhoogte Water Treatment: New dosing pumps and mixers	50,000	40,000	30,000
	Substation Improvements (Enhancement 11kV equip.) :Ext 12 Sub Station	-	600,000	-
	Substation Improvements (Enhancement 11kV equip.) :Workshop Sub Station	1,000,000	-	-
	Upgrade chlorine room	40,000	-	-
	Voorbaai: New Bulk Line	-	-	-
15 Total		47,210,400	52,686,000	42,256,516
16	3 X Wendy Houses [2X (2.1m*2.1m) and 1X(3m*3m)]	36,000	-	-
	Breathing Apparatus Compressor	-	200,000	-
	Bulk Containers	100,000	100,000	-
	Electrification Projects	1,000,000	1,000,000	7,500,000
	Fencing Sewer Pump Stations	100,000	100,000	150,000
	Fire fighting bakkie sakkie unit	50,000	-	-
	Fire fighting equipment and Hazmat equipment	50,000	50,000	100,000
	Installation of Intelligent Bulk Watermeter Reading Devices	100,000	100,000	100,000
	Minibus Taxi Facilities:All Areas (Adriaans Street)	500,000	500,000	-
	N.M.T- Facilities all areas	-	-	-
	New Compactor Unit	1,600,000	-	2,200,000
	New Connections	2,050,000	2,400,000	2,500,000
	New fence for Cemetery- Heiderand	100,000	-	-
	New Network Pipe Lines as per master plan	-	-	2,000,000
	New Transfer Station	-	-	-
	Pound for Animals	50,000	-	-
	Public Parking Area at Electrical Meter Department	40,000	-	-
	Pumps and Switchgear	200,000	-	-
	Rebuilding of compactor units	300,000	-	-
	Recycling Bins	150,000	-	100,000
	Replace Ageing Miniature Substations	700,000	1,000,000	2,000,000
	Replace Delivery Vehicle-CBS 25106 (black bags)	200,000	-	-
	Replace MV Ring Main Units	700,000	1,000,000	2,000,000
	Replace old model pump Stations with new ones	430,000	520,000	700,000
	Replace Water Network Lines-All Areas	1,000,000	550,000	700,000
	Rescue Rubber Duck-Semi ridget	-	-	-
	Rest room for Workers	100,000	-	-
	Shelter for the homeless	1,500,000	-	-
	Supply of bin lifters	-	50,000	150,000
	Telemetry: Expansion New System	100,000	-	-
	Thusong Centre- Related Buildings	4,000,000	-	-
	Upgrade Telemetry	100,000	100,000	100,000
	Waste: Drop Off Site-Thembani Street	-	20,000	-
16 Total		15,256,000	7,690,000	20,300,000
17	1 X 3Ton Truck (New)	-	350,000	-
	1Ton LDV X1 (New)	195,000	-	-
	2 X Line marking paint car (battery operated)	-	32,000	-
	Additional HDD for Tivoli Back	50,000	-	-
	Aerator & verticut combo cutter (800mm walk behind)	-	160,000	-
	Air conditioner-D'Almeida Library	20,000	-	-
	Air conditioner-Friemersheim	-	-	-
	Automatic Fire Detection and co2 Fire Suppression- Achieves at Town Hall	155,000	-	-
	Computer Leases	699,000	175,000	485,000
	Digital Colour Copier	-	60,000	-
	Enhancement: Security Camera	90,000	-	-
	Extension of clock system	100,000	100,000	-
	Flashlight combination for Law Enforcement	15,000	-	-
	Furniture & equipment	200,000	-	-
	Furniture, Tools & Equipment	381,000	235,000	195,000
	Furniture, Tools & Equipment	120,800	-	70,000
	Furniture, Tools & Equipment (Law Enforcement)	30,000	-	-
	Furniture, Tools & Equipment- Legal Services	10,000	-	-
	Furniture, Tools & Equipment- Municipal Court	300,000	-	-
	Furniture, Tools & Equipment-Friemersheim	3,000	18,000	1,500

Ward/s	Projects	Sum of 2012/13 Budget	Sum of 2013/14 Budget	Sum of 2014/15 Budget
	Furniture, Tools & Equipment-Greenhaven	3,800	1,000	-
	Furniture, Tools & Equipment-Herbertsdale	1,000	1,750	600
	Furniture, Tools & Equipment-Records	5,600	-	-
	Furniture, Tools & Equipment-Typists	8,330	6,800	-
	Furniture, Tools and Equipment	50,000	50,000	20,000
	Furniture, Tools and Equipment_CDW's	20,000	15,000	15,000
	Furniture,Tools & Equipment	15,000	15,000	-
	Furniture,Tools & Equipment-Expenditure	11,500	-	-
	Furniture,Tools & Equipment-Income	10,000	15,000	15,000
	Furniture,Tools & Equipment-IT	3,000	-	-
	Furniture,Tools & Equipment-SCM	14,340	-	-
	Furniture,Tools and Equipment-IDP	15,000	-	-
	Generators: Grunter and Omega	-	-	-
	Hand Held Terminals for Meter Readers	90,000	-	-
	Harddrive Capacity for Collaborator	44,000	-	-
	High Volume Photocopy Machine	-	320,000	-
	Irrigation System-D'Almeida Stadium	-	300,000	320,000
	Irrigation System-Extension 23 Soccerfield (B & C Soccerfield)	-	-	300,000
	Irrigation System-Van Riebeeck Stadium	-	250,000	300,000
	Klein Brak Water Treatment: Aircon for Offices	10,000	-	-
	Klein Brak Water Treatment: Aircon MCC	20,000	-	-
	New 2-way Radios	10,000	10,000	10,000
	New 2-way Radios (Water Distribution Services)	20,000	20,000	20,000
	New Concrete Mixer	-	40,000	-
	New Half Ton Bakkie	-	150,000	-
	New Level-Sensor for Sewer Pits	170,000	170,000	170,000
	New Promun Server	-	-	-
	New Prosonic level measure	200,000	-	-
	New TLB	-	-	-
	New TLB (Replacement) CBS 33212	700,000	-	-
	New Trailers X2	-	-	150,000
	New water pumps:Replace with new model pumps	300,000	350,000	450,000
	Palisade fencing	60,000	-	-
	Photocopy machine-CDW's	-	-	55,000
	Pinnacle Point Sewerage:Aircon -MCC and Control Room	30,000	-	-
	Purchase of New Vehicles x2	320,000	-	-
	Purchase of New Vehicles x3	320,000	160,000	-
	Purchase of New Vehicles x5	-	640,000	150,000
	Purchase of Two New Vehicles	-	-	-
	Purchase of Leased Vehicles: CBS 30283,CBS 42246, CBS 42247 & CBS 42248	320,000	-	-
	Purchase of new Flatbed Truck and Trailer CBS3496	-	550,000	-
	Purchase of new Tipper Truck CAW 52378	700,000	-	-
	Purchase of new vehicle: LDV for GBR	160,000	-	-
	Purchase of Tractor	-	260,000	-
	Regional Sewer: New Do Meters	-	-	-
	Regional Sewerage: Aircon for MCC Room and Offices	45,000	-	-
	Replace Rescue Vehicle CBS 7599	500,000	-	-
	Replace Vehicle- CBS 263 Water Tanker 2 with 4x4 Water Tanker	-	-	800,000
	Replace Vehicle: CBS 18527 4x4 Bakkie and pump unit	-	500,000	-
	Replace Water Tank on CBS 6224	-	200,000	-
	Replacement of 3Ton Truck : CBS 39152 and CBS 39153	-	-	385,000
	Replacement of CBS 2339 Condor	-	360,000	-
	Replacement of CBS 26767 (LED)	130,000	-	-
	Replacement of Radio Communications Network:Phase 2	1,100,000	-	-
	Replacement of the Mayor's Vehicle-CBS 1	-	500,000	-
	Replacement of Tractor- CBS 17794	-	-	-
	Replacement of Tractor- CBS 8467	270,000	-	-
	Replacement of Vehicle: LDV CBS 33243	-	180,000	-
	Replacement of Vehicles:CBS 21327 and CBS 22612	400,000	-	-
	Replacement of Vehicles:CBS 33193	-	100,000	-
	Replacement of Vehicles:CBS 33197 and CBS 25950	-	-	400,000
	Replacement of Vehicles:CBS 33242 and CBS 33234	-	400,000	-
	Replacement of Vehicles:CBS 4823	100,000	-	-
	Ride-on grass cutter and trailer	-	-	250,000
	Roaming MIC's -Ward Committee's	-	-	-
	Rotary Lawnmowers X2 (pitch cutters)	-	65,000	70,000
	Sound System-Ward Committee's	-	-	-
	Storage Facility -Van Riebeeck Stadium 100-120m2	200,000	-	-
	Tools & Equipment	100,000	100,000	100,000
	Tractor-mounted fertilizer spreader	16,000	-	-
	Tractor-mounted Sprayer	40,000	-	-
	Trallor for Roadmarking Machine	25,000	-	-
	Upgrade AD File Servers	38,000	-	-
	UPS for radio network points	15,000	-	-
	Vehicle Management System	32,800	15,000	15,000
	Replacement of Vehicle Water Tanker with 4 X 4 Water Tanker	1,600,000	-	-
17 Total		10,612,170	6,874,550	4,747,100